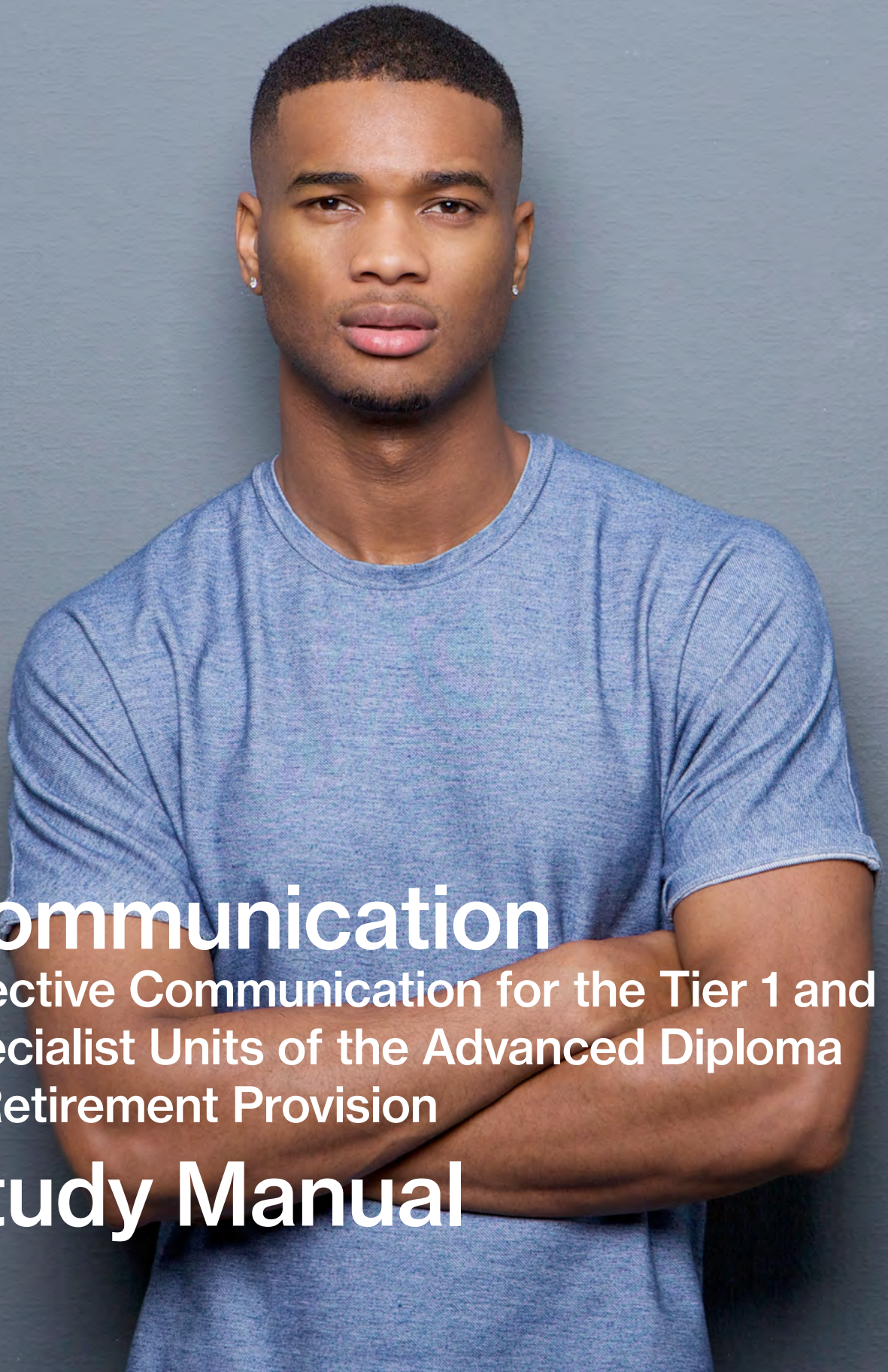




**Pensions  
Management  
Institute**

Learning



# Communication

Effective Communication for the Tier 1 and 2  
Specialist Units of the Advanced Diploma  
in Retirement Provision

# Study Manual

# About the PMI

## THE PENSIONS MANAGEMENT INSTITUTE (PMI)

Founded in 1976, the Pensions management institute (Pmi) is the UK's largest and most recognisable professional body for employee benefit and retirement savings professionals, supporting over 6,500 members in 32 countries.

PMI's members, represented in 9 regions, are responsible for managing and advising some of the largest institutions in the world accounting for £1trillion invested in pensions. We promote excellence through a range of services for the benefit of members, the wider economy and with over six million now saving as a result of automatic enrolment, society as a whole.

The purpose of the Institute is "To set and promote standards of excellence and lifelong learning for employee benefits and retirement savings professionals and trustees through qualifications, membership and ongoing support services".

To achieve this, PMI:

- Promotes and embeds professional standards, setting the benchmarks for best practice
- Produces qualifications that have a reputation for excellence and ensure that employee benefits and retirement savings professionals, whether they are scheme managers, consultants, administrators or trustees, are educated to the very highest standards and the latest legislation
- Provides continued lifelong learning designed to strengthen the knowledge and skills of employee benefit and retirement savings practitioners in performing to the best of their ability
- Plays a pivotal role shaping the industry, working with Government and collaborating with other bodies on research and thought leadership on key issues
- Presents an annual conference and a wide range of technical seminars from entry-level to those for highly experienced professionals
- Provides industry-leading insight, including Pensions Aspects, PMI TV, Expert Partner insights, newsletters and blogs to keep practitioners abreast of the very latest developments in a rapidly-changing industry
- Proactively has a voice in mainstream and social media with a presence on Twitter and LinkedIn [www.pensions-pmi.org.uk](http://www.pensions-pmi.org.uk)

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# Foreword

PMI was formed in 1976 to promote professionalism amongst those working in the field of pensions. Today, we are acknowledged as the institute for pensions professionals. We have developed study and examination facilities leading to a nationally recognised qualification – the Advanced Diploma in Retirement Provision. This embraces all aspects of law and practice relating to the management of workplace pension arrangements. The Advanced Diploma is a comprehensive and in-depth qualification for retirement benefit professionals. It is the qualification component for Associateship (APMI) of the Pensions Management Institute (PMI).

The structure of the Advanced Diploma has been comprehensively revised for first examination in 2016 (re-written for 2019). This revision was to ensure that the syllabuses were up to date and the qualification continues to meet the needs of users. The Advanced Diploma framework comprises five core units and seven specialist units. To complete the Advanced Diploma students will need to complete eight units as set out below.

The foundation of the qualification is formed of four core units. These compulsory units cover all aspects of retirement provision in the UK, including regulation, administration, financing and investment. There is an additional option covering international employee benefits. The core units are assessed by a two hour examination. The core units are then followed by specialist units. Students choose either, or both, of the Tier 1 specialist units - Defined Benefit Arrangements or Defined Contribution Arrangements as most appropriate for them. Depending whether both or just one of the Tier 1 specialist units are selected either one or two further specialist units can be selected from the Tier 2 specialist options including Reward, Retail Pensions or International Employee Benefits. These choices allow the students to select those areas that best fit their current work or future career aspirations. Finally the Professionalism and Governance Unit must be completed by all Students. All of the specialist units are assessed by 3 hour written examinations.

There are several Diploma level qualifications comprised of units from within the structure of the Advanced Diploma for those who do not want or need to complete the Advanced Diploma. These have also been revised as part of the changes to the Advanced Diploma.

The Diploma in Retirement Provision (DRP) includes all four UK focussed core units and either of the Tier 1 specialist units (Defined Benefit Arrangements or Defined Contribution Arrangements). The DRP would be completed by all those who proceed to complete the Advanced Diploma.

The Diploma in Employee Benefits and Retirement Savings (DEBRS) is ideal for those who need to understand pensions in the wider savings and employee benefits context, and consists of two of the core units and the Tier 2 specialist Reward and Retirement Provision unit.

The Diploma in International Employee Benefits (DipIEB) consists of the two internationally focussed units: the Foundation in International Employee Benefits core unit and the Tier 2 specialist unit - Managing International Employee Benefits. These units have been developed in partnership between PMI and the International Employee Benefits Association.

Those who wish to complete the Advanced Diploma can opt to take the units that comprise the DRP, DEBRS, or DipIEB on the way to becoming Associate Members of PMI. Alternatively, those who only wish to sit those Diplomas can become Diploma members of Pmi on completion.

There are many benefits to be gained from studying for, and attaining, these qualifications. These include the body of knowledge and understanding gained and its application to practical situations, a demonstrated commitment to learning and development, and enhanced status, confidence and opportunities for career progression.

Undertaking this rigorous professional qualification places demands on students and we are committed to supporting studies with quality learning provision. Under the banner “Shaping the pensions professionals of tomorrow” we are delighted to be working with some of the UK’s leading companies and firms within the pensions industry who have taken on the role of study support partners. In each unit the study material comprises a study manual and access to a web-based distance-learning course designed to prepare students for the examinations. This booklet is designed to accompany each of the specialist units and provides information on effective communication and details of the variety of formats used in pensions related communications and in the examinations. PMI is delighted to be working with Ferrier Pearce as the study support partner for this booklet.

Further details on the units that comprise the Advanced Diploma and the work of the PMI can be found on the website. We hope you will enjoy studying for the Advanced Diploma. We welcome feedback and this should be directed to the Qualifications Department at PMI House, e-mail: [qualifications@pensions-pmi.org.uk](mailto:qualifications@pensions-pmi.org.uk)

# Introduction

The PMI exists to promote a high standard of professionalism and technical competence amongst pension professionals. Our Advanced Diploma in Retirement Provision supports these objectives by ensuring that those who obtain it are technically and professionally equipped for their role in employee benefits and pensions.

Whether you are working, or hoping to work, in the area of pensions and employee benefits as an administrator, manager, adviser or another practitioner, you will need to have certain skills in addition to technical knowledge. You need to be both literate and numerate, and to have the tact and the ability to get on well with people. In addition, you must be a good communicator, able to communicate effectively both verbally and in writing, at all levels from the shop floor to the boardroom.

While the Core Units tested your knowledge and understanding through a combination of multiple-choice questions and short form answers, the Specialist Units test your communication skills as well as your mastery of the subject matter. You are asked to answer the questions using the format identified in the question, and a percentage of the overall mark is allocated to your communication skills. This includes the use of the appropriate format for the question, as well as spelling and punctuation.

In this booklet, we explain, for the purposes of the examinations, how to communicate effectively in writing, using both formal and informal language styles, according to the type of document that is appropriate to the particular circumstance and audience.

You will learn about the following formats, which are all formats that could arise in the Specialist Unit examinations:

- Reports
- Discussion papers
- Articles
- Other printed communications, such as newsletters
- Letters, memos and emails
- Oral presentations

We recognise that references to 'memos' and 'electronic communications' now look dated, given that all of these formats are now often sent electronically, and e-mail has almost completely replaced memos and most faxes, which do not require an original signature. However, as you will see, memos do still have a place, often as attachments to emails.

Of course, there is far more to effective communication than can be examined in the Specialist Units. While this booklet will help you answer the examination questions in the format expected, we also hope that it will provide you with a broad grounding in effective communications to use in your future career. After that, it is up to you. You can always improve your communication skills, changing and developing them to reflect modern styles and idioms. English never stands still and what was deemed unacceptable in business use a few years ago is now common usage.

To help you, we have provided a list of recommended further reading (see the Appendix). Most of the texts listed are reference books that have withstood the test of time. Others are more recent and cover modern thinking on many useful aspects. Keep them at your side and you will be rewarded by a greater appreciation of the use of English. You will find in the text references to the variable use of English in serious literature over many centuries that may surprise you. You may discover that many of the 'rules' that you may well have grown up with are not 'rules' at all, but impediments to a much more varied and interesting use of English that may help you become a more effective communicator.

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# CHAPTER 1

## Hints and Tips for Effective Communication

### INTRODUCTION

In this Chapter, we set out the basic principles and problems of communication, then provide additional guidance on communicating effectively. The guidance is not exhaustive, but it will help you with both the examinations for the Specialist Units and with your communication skills in general.

### 1.1 THE BASIC PRINCIPLES OF COMMUNICATION

What are the basic principles? These include:

- knowing what you want to communicate
- How many times have you received a letter or email where it seems that the writer has not sufficiently thought about what it is they are trying to communicate?
- focusing on the reader, not the information
  - Really put yourself in the reader's shoes. Think about who he or she is and what they need to know. But also consider what part of the information different groups of reader may find most interesting and useful.
- trying to ensure that your communication conveys clearly and unambiguously the message or messages you want to convey
  - This is not always easy and will be made more difficult if you, the communicator, don't understand the messages yourself. As Einstein noted, "If you can't explain it simply, you don't understand it well enough."
- making it easier for the reader
  - Do not write too much information - only include what you think the reader needs to know. Avoid the temptation to try to impress. Make your point, and then support it. Do not write a story – unless it helps to get a point across.
- keeping it simple - given a choice, use the simpler word and expression
- thinking about the layout of your written material to ensure that it adds to the clarity of your message considering the most appropriate mode of communication
- where appropriate, complying with all relevant legislation, e.g., the Disclosure of Information Regulations

### 1.2 THE CHALLENGES OF COMMUNICATION

Communication is vital to the management process. Many problems within any organisation arise from the inability of people to communicate effectively. There are several reasons why communication presents challenges.

#### 1.2.1 Failure to Recognise Poor Communication

A basic problem is that of non-recognition or, to be blunt, self-delusion. Most people, managers included, believe that they are good communicators. But a particular problem, when it comes to managers, is that others may be reluctant to point out their communication shortcomings, or they may ignore adverse comments. They may well believe that they do not have problems so remain dismissive of the situation.

The first step to overcoming such a problem is to recognise that it exists. We should all regularly and critically review our own communication techniques and ask colleagues for their opinions.



### **1.2.2 Poor Use of Language**

Any attempt to communicate with all groups of people as though they all speak the same language, and have the same degree of knowledge, will encounter problems (see Chapter 1.3.3). Communicating based on such assumptions is frequently a major cause of misunderstanding.

### **1.2.3 Not Understanding the Audience**

It is important that you understand the knowledge, interests and needs of the readers, as well as the purpose of the document you are preparing. If you prepare a communication with the wrong audience in mind, or with a poor understanding of the right audience, you may find that not only do your readers fail to understand your communication but they also react to it adversely.

For much of the general public, knowledge of such matters as pensions, investments, mortgages and compound interest is likely to be poor. The Government has been considering the issue of including financial education as a compulsory part of the National Curriculum for some time. Already on the curriculum for Wales, Northern Ireland and Scotland for a few years financial education only became part of the English National Curriculum from September 2014.

Also, while press coverage of pensions has increased, it has often focused on specific problems facing the industry or the general issue of an ageing population rather than on the day-to-day action needed to run a pension scheme and provide the members with a pension.

### **1.2.4 Use of Jargon**

The use of jargon presents a further problem for professional groups who, in addition to employing one particular language form, may have developed a vocabulary of their own. The language of our own expertise becomes familiar to us but it is not necessarily familiar to the ordinary person. This is a particular challenge in the area of pensions and employee benefits, as you are most likely to be communicating with the general public, including pensioners and active members, on financial matters critical to their future prosperity.

A pertinent example of our jargon is the shorthand language, both written and spoken, which involves the use of only identifying initials, such as PPF, DWP and PMI. The field of pensions and employee benefits, like any other specialist field, has developed terms, expressions and words peculiar to itself. In communicating with others outside the field, whether they are the managing director or a scheme member, you need to be extremely careful to avoid making any assumptions about previous knowledge. Familiar terms to one group are often incomprehensible to another or, indeed, may even have a different meaning.

### **1.2.5 Culture**

Organisational procedures and culture can often produce ingrained and ineffective communication habits. Standardised and unwieldy report structures, which include irrelevant or omit relevant information, are damaging because they may result in misunderstandings. The fact that a report has always been written in a certain way is not a valid reason for perpetuating its existence.

Without the desire to innovate and to respond to the ever-changing environment, dated or inappropriate procedures will inhibit communication. Forms, for example, some of which may have been designed by Government departments, may continue to be complicated as they were drafted to reflect the terminology in regulations which themselves contain little plain English. These can become outdated and incomprehensible to the general public, who are often the ones who have to fill them in. Procedures within organisations need constant review and revision.

### 1.2.6 Presentation and Planning

Other basic problems include illogical, disorderly presentation, muddled thinking and poor expression. Poor presentation and muddled thinking are the result of poor analysis and planning. We will deal with these areas in more detail later.

Poor expression may be due to basic weaknesses in grammar and spelling which may reflect an inadequate grounding in these areas. If you feel you suffer from these faults, spend some time analysing exactly where your weaknesses lie and consulting basic grammar and usage texts, such as those listed in Appendix A. General reading can do a lot to instill good practice, but only over time.

Examiners are constantly highlighting the problem of poor communication. Therefore you should remember the following tips:

- read the examination question carefully
- prepare answers adequately and do not write the first thing that comes into your head
- realise that a poor standard of English will detract from an otherwise reasonable answer
- realise that organisations have different ways of performing the same task and that it is the underlying principles that are important
- avoid using jargon indiscriminately
- avoid relying too much on limited experience.

### 1.3 GENERAL COMMENTS

In this section we suggest how you might prepare to answer the types of questions that you may be asked. However, please note that it is not possible for us to cover every eventuality and you must be prepared to face other formats. In the later chapters we give more detailed advice, but these initial comments should assist you with your overall preparation and awareness.

#### 1.3.1 Concentrate on the Situation

First of all, you must keep in the forefront of your mind the organisation upon which the question is based. That will set the scene and decide the priorities of your answer.

When looking at the matter from the point of view of a pension scheme, say, as a pensions manager, you must remember that the scheme is just one area of the employer's operations. There is a limited amount of money available for which there are bound to be competing priorities. If any ideas put forward in answers are costly in total it is likely that such a package will be thrown out immediately on cost grounds. A more modest approach is likely to be successful. Obviously, examiners will not expect you to be able to assess exactly the correct level of costs, but obvious extravagances are unlikely to attract high marks.

An insurance company will want to make its products attractive to customers. You should bear this in mind if you are asked to prepare documents to be issued by such companies. However, the potential purchasers of such products tend to use cost as a deciding factor.

When you are asked to write directly to members of the public, you need to strike a careful balance between explaining concepts as clearly and directly as possible, the need to comply with any disclosure requirements imposed by legislation, and the purpose of the communication.

You will often need to consider the likely effect on other readers, apart from the intended recipient of a paper, who may rely upon your communication. Is it clear from your text who you are giving information to? Should you add any comments to clarify the scope of your communication (particularly if it could be seen as advice), in terms of both the subject matter and who you are writing to? Pensions communications have increasingly become subject to legal considerations; if something goes wrong, past communications may play an important part in assessing whether someone has been misadvised.

A case from May 2014 - IBM UK Holdings Ltd and IBM UK Ltd v Dalgleish and others – highlighted the importance of considering what a ‘reasonable member’ might infer from different types of communication, including electronic communication. Even though the various communications were accurate, the combined picture they presented was judged to have created an inaccurate impression of the benefits on offer.

Even the Government is not immune from failures of communication, as can be seen in the Parliamentary Ombudsman’s finding of maladministration in respect of Government leaflets relating to pensions. The Ombudsman held that “official information about the security that members of final salary occupational pension schemes could expect from the MFR (Minimum Funding Requirement) provided by the bodies under investigation was sometimes inaccurate, often incomplete, largely inconsistent and therefore potentially misleading,” and that this constituted maladministration. The case ended up in the Court of Appeal and resulted in the Government having to extend the Financial Assistance Scheme.

The danger of written communication being misunderstood increases when you have had little or no contact with the recipient. With some communications, such as bulk member communication exercises, this may be unavoidable. In other situations, it may be obvious on reflection that a telephone call or meeting after the issue of your written communication would be a natural step, and it is worth referring to this as a follow-up action point.

### **1.3.2 General Reading**

In order to have the broad basis on which to draw information for putting together answers, you need to read widely - both to obtain relevant information on pensions and employee benefits and to see examples of good (or indeed poor) communication styles. Examiners stress this aspect year after year, yet students still seem to ignore their advice. You can obtain useful pieces of information from a wide variety of sources and, sometimes, from general reading including newspapers, magazines and general literature.

### **1.3.3 Use of Words**

You should give some thought to cultivating your ability with words. Examination scripts always show that students have a tendency not to use the correct word at the appropriate time. And they sometimes use longwinded expressions when shorter ones are both available and preferable; e.g., use ‘now’ rather than the phrase ‘at this moment in time’. The latter takes longer to write and, in an examination, time is at a premium.

The problem is that under examination conditions some students tend to revert to bad habits. Careful training and practice beforehand should help you in the examination. Whenever you are writing any form of communication, you should consider carefully whether you have used words economically and accurately. Using a good dictionary helps to develop this skill, although, sadly, you can’t use a dictionary in the examination!

### **1.3.4 Technical Knowledge Versus Communication Skills**

Although the majority of marks are allocated to your technical knowledge, some marks are given for your communication skills. These marks can mean the difference between examination success and failure.

You will develop these skills if you practice - using past papers, the distance learning course and, possibly, through your day-to-day work.

### 1.4 COMMUNICATION POINTS

#### 1.4.1 Using the Active or Passive Voice

When writing, you can use the 'active voice' or the 'passive voice'. In the active voice, the verb expresses what its subject does; in the passive voice, the verb expresses what its subject suffers, or has done to it. Sentences in the active voice are shorter, stronger and more dynamic than those in the passive voice.

**Example:**

Passive voice: A plan of action was agreed by the Trustees. Active voice: The Trustees agreed a plan of action.

It is common to use the passive voice in business writing, especially as it conveys a more diplomatic tone. Too many verbs in the passive, however, can make your writing dull and lifeless, and can make the communication seem impersonal to the reader. As much as possible, write in the active voice, rather than the passive.

#### 1.4.2 Topic Sentences

The clearest way to organise information is to give the reader the message first, then present the key points to support it. Make use of topic sentences. A 'topic sentence' summarises the content or argument in a block of text, normally the rest of a paragraph. It should be the first sentence of the paragraph and it will help you make your point and then support it. A topic sentence helps you decide what to include in the paragraph. All the material in the paragraph should support the topic sentence.

Topic sentences should make sense in order. Consequently if you read just the topic sentence, you should be able to understand the whole piece in summary. Use link words or phrases to show the connections between paragraphs. This link may be a single word, a phrase or even the whole topic sentence.

#### 1.4.3 Accentuate the Positive

When constructing sentences put things positively rather than negatively. This will help the reader to understand you more easily.

For example: "Please send me your certificate, so that we can process your policy" is more direct and clearer than the negative version: "If you don't send me your certificate, we will not be able to process your policy".

In this example, accentuating the positive also makes you seem more willing to help.

However, avoid the trap of being too positive where you do need the reader to do something. A true-life example – a friend sent off what they thought was the right part of their driving licence as part of their annual car insurance renewal. The insurance company wrote back to say that the incorrect part had been sent, and unless they received the right part within a certain period, they would cancel the policy. However, they started their letter thanking the reader for sending in the documents for renewing the policy. The reader, carelessly, didn't read any further, and found himself to be inadvertently breaking the law. In the end, the court restricted itself to fining the reader, judging the communication from the insurance company to be mitigating circumstances.

#### 1.4.4 Simple Rules

Effective communication is a two-way process. You, the communicator, transmit the information, and the reader responds – by taking action or by simply engaging more with you and the scheme. You need to drive that action or engagement. These simple rules should help.

*Think about the structure and purpose of your document before you begin to write*

- Be clear about your document's objectives, purpose and function. If possible, state them explicitly, including stating the intended recipient of any information or advice included. If it follows on from a previous letter setting out key information or advice, consider enclosing that advice and referring to it, particularly if it avoids having to explain the same points twice. For example, if you are writing to confirm the payment of a pension, it may help to include a copy of the letter stating the amount of pension to be paid.
- Do not include too many objectives in a single document. If the document is becoming unwieldy, consider whether more than one document is appropriate. For example, if you are writing to tell members of a change in investment platform, you might find it more helpful to send a set of documents – a letter clearly introducing the topic and highlighting the action the member needs to take; a leaflet setting out the investment funds on offer, and then finally a form for the member to instruct you of their options. Also, if you are writing to more than one party, for example a member and their authorised investment adviser, it may be that one or more of the parties, for example the financial adviser, needs a side letter to explain the background in more detail.

*Think about the reader*

- Consider the potential for different groups within the readership and whether or not the communication should be tailored to each group's particular needs or the different actions you want each group to take.
- Include only what the reader needs to know, not everything you know. If you have to include supporting information to qualify or support your advice but suspect this will be of less interest to the reader, consider creating appendices. Alternatively, consider ordering the information according to what is most important for each group to know, putting that information first.
- Consider whether a table or graph can be used to summarise the information that you are trying to present.
- Choose your writing style, tone and language to meet the needs of your reader(s).

*Use 'Plain English' principles and, where possible, 'plain' language*

- Use clear, straightforward language, without unnecessary words or flowery language, which can often obscure the message being given (sometimes deliberately).
- Given the choice, use a short word instead of a long one. Your writing will be clearer.
- Vary the length of your sentences.
- Try to avoid long sentences but do not link too many short ones together. Short sentences promote clarity.
- Start a new paragraph for each new idea or theme. Set out that theme or idea in the first sentence of the paragraph. Try to avoid writing paragraphs containing too many sentences. Three to six sentences in a paragraph is usually suitable. If you find yourself with a paragraph with too many sentences, it is worth reviewing the paragraph to check whether or not you have included more than one topic in that paragraph.

Also, sometimes a paragraph consisting of one sentence produces a strong emphasis.

- Use a short paragraph at the beginning of a document or section as a summary or introduction.
- Use headings wisely to help your reader follow your document, especially where the document is lengthy. Too many may put your reader off. Headings should be short and relevant. Headings can help you to test the structure of the document. If you have too many headings, perhaps the structure of the document needs review – maybe more than one document is needed. (See above.)
- Use space well. Spread your writing out.
- Use bullet points wisely. Use them for lists and to help your document have freedom of space. This will improve your readability. Do not overdo their use as too many bulleted lists can reduce the natural flow of the text..

And do not worry about starting your sentences with conjunctions or ending them with prepositions. (Although some diehard grammarians will insist that this is wrong, it is increasingly the norm, to avoid unnecessary clumsiness.) For example, 'Please tell us who you want your death benefits to be paid to.' is less clumsy than 'Please tell us to whom you want your death benefits to be paid.'

The same goes for split infinitives. 'We want you to fully complete the details' is less clumsy than 'We want you fully to complete/ to complete fully the details.' Although 'We want you to complete the details in full' is much better and avoids the split infinitive!

The Plain English Campaign champions the use of 'Plain English', especially in business or government communications. They seek to reward the best examples of English, and to publicise the worst examples – awarding the 'Golden Bull' for the worst examples of gobbledygook. Their website, which can be found at <http://www.plainenglish.co.uk>, includes free guides on how to use Plain English, as well as an A-Z of pension terms by the ABI (Association of British Insurers).

And some other useful tips:

- Do not write more than you need to, i.e. do not waffle! One way to test yourself can be to write as you speak but without those little words and phrases that we add to our speech.
- If necessary, think about a way that you may be able to confirm that your reader has understood the 'right' message. Seek feedback. Be specific about your action points.
- Be careful if you are quoting from another source that may need acknowledging.

All these points add up to your style and tone. Style is the way you use words, sentences and paragraphs. Tone has more to do with the impression your writing has on your reader. Too many words can give a verbose style and the tone may be wordy or tedious. Look for a clear, concise style and the tone will follow.

# CHAPTER 2

## Formats You May be Asked to Use

### INTRODUCTION

In this Chapter, we set out the formats you might be asked to use to respond to an examination question and particular points you should be aware of.

### 2.1 REPORTS

Reports are usually management tools. A report is often an exercise in persuasion, so must have a clear message. Many reports will have a number of readers, but you should address your message to the primary readership.

Before you begin, write a statement covering the purpose of the report to clarify your thinking. Check as you write that your message addresses the appropriate problem or answers the appropriate question. Revert to your primary reader, if necessary.

Reports are generally fairly long documents, so need to have a clear structure, a table of contents and numbering of paragraphs to allow cross-referencing. Provide a summary at the start to assist in highlighting your recommendations. Layout is considered in more detail in Section 2.3 below.

#### 2.1.1 Types of Report

The report is one of the most common documents requested in questions for this module. There are three basic types.

##### *The Standardised Report*

Such a report is so frequently required that a pre-designed form is used, for example: appraisal reports and work in progress reports.

##### *The Information or Briefing Report*

This type of report is one that succinctly summarises complex information, drawn from many sources, for the benefit of the reader. It usually has conclusions but is not concerned with making proposals. An example is the Annual Report produced by trustees of occupational pension schemes.

##### *The Investigation or Proposal Report*

As its name implies, such a report investigates or explores a problem and analyses information. As a result, it concludes with recommendations or proposals. This kind of report may be brief or long. It may concern any subject from personnel to finance, from an economic problem faced by government to questions of social or legal reform. Regardless of length, it retains the same basic structure with similar main section headings.

This Section is concerned with the last two types of report or with a combination of their basic structure. It is important to understand the difference between being asked to submit a briefing report or a proposal. A proposal should follow a logical and clearly reasoned argument with an equally clear recommendation. A common mistake is to provide technical information without drawing a conclusion or proposing a solution.

### 2.1.2 Objectives of Reports

There are several objectives you should bear in mind when preparing reports. These are:

#### *To be an important source of information*

The report is an important source of management and/or client information that may advise on such matters as progress, problems, current information or situations requiring attention. It is often used as a basis for decision-making and policy-making and the recommendations, although advisory in nature, are often implemented after consideration by the authority who requested the report.

#### *To be accurate*

It is vital that the information contained in a report should be accurate; that the sources of that information, which should be clearly stated, are both sufficient and trustworthy; and that your analysis and thought leading to your conclusions and recommendations should be clear. You should note any significant areas where the available data is incomplete or simply not available. Often, reports are suspect on one or more of these grounds, which is obviously damaging to any decisions deriving from them and can produce severe crises or simply bad decisions. These tend to reverberate on the report writer, potentially as a legal claim.

#### *To be technically correct*

Equally, it is expected that information will be technically correct, that facts will be accurate, and that all available resources - including new legislation - will have contributed to your conclusions and proposals. Those resources will often be included as an appendix to the report, in order to demonstrate your due diligence.

#### *To be a reference document*

The report is a reference document, which may be used as a basis for further meetings, discussion, or thought. For this reason, all sections and subsections and, sometimes, paragraphs need to be clearly headed and consistently numbered so that, if necessary, one relevant subsection can be referred to rapidly without the whole report having to be read. It is also useful if cross-referencing can take place in the document to link the different sections together without undue repetition.

#### *To be read*

The objective of writing any report is for it to be read but many are not; perhaps because they are received by busy people who already have plenty to read. The more concise a report's language and the more orderly its presentation, the more chance there is of it being both read and acted upon. Lucidity and logic have an immediate appeal.

An unwieldy and overlong report defeats its own objective and is likely to arouse the impatience of a confused reader. This is also true of an examination answer which requires a report. A report that is brief, relevant, clearly structured and succinctly expressed will gain credit for those very reasons. It should be remembered that quantity frequently does not equate with quality.

### 2.1.3 Structure and Layout

The objectives summarised in Section 2.1.2 affect the structure and layout of the report. As stated earlier, the reports you will be mainly concerned with are of the information or investigation category, and usually the latter since they often require recommendations or proposals. They should also be seen as tests of your professional expertise because the information from which these are derived is considerable and your synthesis and consistent use of this information must be demonstrated.



Some organisations structure their reports in a very specific way, reflecting their own organisational structure which may now aim to use standardised document formats across all territories. This Study Manual gives a generalised structure, appropriate for answering a report question. If you are used to preparing reports in a different format and wish to continue with this format within the examination, you should satisfy yourself that the format you normally use (and therefore would use in the examination) will always be appropriate for answering the types of questions asked by the examiners.

All reports should have clear sub-headings and the major sub-headings must remain constant. These then dictate the order of the content and, beneath these; further sub-headings and sub-divisions can be given to guide the reader through the material in the most logical way. Headings will help the report's logical flow.

In Section 2.1.4, the most usual major sub-headings will be given and the type of content to be included in each subsection will be indicated.

### **2.1.4 Major Sub-headings Related to Content**

The following framework is the most common and meets the requirement of the report questions set in the specialist units.

#### *Introduction and terms of reference*

This section gives the necessary background data, the objectives and scope of the report. It also establishes the report's subject and purpose and states for whom it is prepared and why.

In broad terms, this section should include:

- the authority and/or position of the person or body requesting the report
- the reasons for this request
- the objectives and purpose of the report, which is not the same as the report's subject matter
- the scope of the report, i.e. whether there is a requirement for proposals and/or recommendations
- the author's name
- the position of the author
- the sources of data (if relevant - these may be disclosed as an appendix if a significant amount of text is involved)
- any other relevant background information
- the submission date
- the name of the person or group of people the report is addressed to

#### *Summary*

The summary (often called the 'Executive Summary' although this description can be off putting and ought to be avoided) is one of the most important elements of the report, but it can be the most difficult to write. It should accomplish all of the following:

- gives an overall view of the report
  - serves as a reminder
  - can be independent of the rest of the report so that decision-makers and action-takers may read only the summary
  - should explain the report's background sufficiently to anybody who will not be reading the whole report
- You may not need a summary if the report is short.

### *Analysis of the problem*

Between the Introduction and the Conclusions in this hypothetical report, there may well be several sections; the actual number will depend upon the complexity of the problem being reported upon. For example, if the report is on investment performance and alternative managers, the sections could be:

Section 1: Introduction

Section 2: Summary

Section 3: Types of Fund Management and Current Policy Section 4: Performance Analysis

Section 5: Comparative Performance with Other Managers Section 6: Competitiveness of Terms

Section 7: Conclusion

Section 8: Recommendations

Alternatively, if the report is to brief and recommend a policy on changing levels of pension increase, the sections will be entirely different. For example:

Section 1: Introduction

Section 2: Summary Section 3: Current Policy

Section 4: Effects of Current Legislation Section 5: Trends

Section 6: Analysis of Membership Section 7: Conclusion

Section 8: Recommendations and Action Plan

It will often be appropriate to include details of costs, and of any savings or benefits from the action being considered. For example, where a proposal that would result in the reduction of time spent on a task is recommended, the cost of implementing the proposal should be weighed against the cost saved as a result of the proposal.

### *Conclusions*

If the report is purely informative and is not expected to contain proposals or recommendations, the conclusions will comprise the final section. In it, the key problems and priorities should be evaluated and summarised. In cases where it is the penultimate section of an investigative report and is to be followed by a recommendations section, it must fulfil exactly the same function. The conclusions should be short.

### *Recommendations*

If the report is intended for information only, no recommendations are required. If the question asks for some proposals, you should put these in a final section, and they should take up each of the key points identified in the conclusions section. This should mean, throughout, that cross-reference should be possible in order to check the logic of the thought process from source, through analysis of the problem and conclusions, to final recommendations.

Your recommendations should be the actions you are suggesting to address the issues highlighted in earlier sections. Although these are only suggestions, they are more likely to be followed if they are seen to be viable and if they take careful note of the objectives originally stated.

It is useful if you accompany each recommendation with a short summary of the issue being addressed, as that will save the reader time when making a rapid reference to the recommendations only. If this is not easily achievable, a cross-reference to the relevant part of the analysis section may be used.

Such an approach assists the reader considerably and if the advice given in this section is seen to be a logical development of all that preceded it, then it is likely to be convincing enough to be adopted. You should avoid introducing new material here or including a recommendation that has no apparent connection with any other part of the report. The recipient, and the examiner, will look for recommendations that emerge from a report, where a clear, logical development is evident and the original objectives are met.

### **2.1.5 Presentation and Style**

You will need to help the reader through the report so make appropriate use of headings, sub-headings, paragraphs, numbering, signposting (i.e. linking phrases such as 'In the next section, the issue will be examined in more detail...'). If numbering of headings and sub-headings is necessary, e.g. in a lengthy report, keep it consistent and as simple as possible (see the examples, below).

Since a report is a formal professional document it is usually submitted to a superior, committee, or client. Therefore, you should present it in the examination in this way. The immediate impression should be of neatness and order, so conveying to the reader (in this case, the examiner!) that you are both confident and methodical.

You should remember that, in real life, the reputation of the individual and the organisation could be at stake and any report should show both in a good light.

There are several techniques that can help to promote both the initial and the overall impression which, in a real situation, may increase the chances of the report actually being read and are likely to create a favourable initial impact on the examiner. We discuss these below.

#### *Page order and presentation*

The page preceding the report should clearly and neatly present what is to follow, in the form of a title page and should include the following and no more:

- a clear title, centered
- the date of preparation
- the name and position of the author (in the case of the examination, you should not use your real name)
- the name, and contact details, of the organisation (in the case of the examination, a hypothetical one)

In the case of a lengthy report, a contents page should follow the title page, listing the major subsections with page numbers for ease of reference. If you wish, you can start each subsection on a different page, although it is not necessary with a report of the length required in the examination. What is essential is that each subsection is clearly and consistently titled (either underlined or indented or in bold or a combination) and, if appropriate, numbered. The reader must be able to see at a glance where each subsection starts and also see a clear, logical progression.

#### *Numbering systems*

It is usual to find that reports consist of numbered sections and subsections. A large variety of numbering systems are in use and any system is acceptable as long as it is appropriate and used consistently. There are two basic types of system in general use:

- An alternating system of different forms of letters and numbers. Thus, a typical pattern would be: I  
Terms of reference
- **1 Objectives**
- **2 Requesting authority etc.**

### II Actual Investment Performance 1 Methods of investigation

#### (a) Analysis of returns

#### (b) Independent surveys - 2 Sources of information

##### (a) ABC Company Reports

##### (b) XYZ Company Reports

This system is flexible since, in addition to the forms given above, upper case letters (i.e. A, B, C) and lower-case Roman numerals (i.e. i, ii, iii) can be used.

- A system of Arabic numerals only which are added with each subsection. In this case the pattern would be:
  - 1 Terms of reference
    - 1.1 Objectives
    - 1.2 Requesting authority etc.
  - 2 Actual Investment Performance
    - 2.1 Methods of investigation
      - 2.1.1 Analysis of Returns
      - 2.1.2 Independent Surveys
    - 2.2 Sources of information
      - 2.2.1 ABC Company Reports
      - 2.2.2 XYZ Company Reports

The only argument against the second form is that clusters of digits begin to appear which are sometimes confusing. This is particularly so when a report is likely to have a number of graded subsections and points. However, it is frequently employed, and its use is probably on the increase. A compromise is achieved by the sensible use of bullet points, provided you are satisfied that there will be no need to refer to e.g. the "second bullet point of sub-section 2.3".

It should also become clear from the above how important indentation and the use of white space on the paper are in creating impact. It makes it much easier for the reader to run his or her eye down the page and select the section he or she wishes to read and also enables him or her to see the framework of the whole report clearly. This is particularly true in cases of handwritten material where the use of different typefaces is not possible. The use of indentation in printed material is somewhat different as some of the effects of indentation can be achieved by using different typefaces.

### *Language and style*

We have already made the point that this is a formal document and so the language and style should reflect this in tone and structure. You should therefore write the report in the third person or in the passive voice. The word 'I' very rarely appears in report writing unless it is an eyewitness report of accident or crime. For the purposes of pensions matters, language should generally be impersonal and the writer unobtrusive.

An exception to this is a report from a person appointed in his own capacity rather than appointed as part of an organisation; for example, a scheme actuary is appointed individually by the trustees of a defined benefit scheme and is required by law to make personal recommendations in some instances. But the use of the first- person singular should be kept to an essential minimum.

You should choose the language to suit the reader. A rule of thumb is that it should be simple, clear and should avoid both technical jargon on the one hand, and familiarity, colloquialisms, and slang on the other. You are reminded of the golden principle laid down in the introduction, which is to write for the recipient of the document taking into account his or her level of expertise and vocabulary, not necessarily your own.

### 2.1.6 Reading

You will find it useful to familiarise yourself with as many different reports as possible, so you can see how well the authors have followed the conventions we cover in this chapter.

In addition to reports written in your organisation, there are plenty in the public domain that can be analysed (see also the Plain English Campaign for writing reports, at <http://www.plainenglish.co.uk/SEARCH TERM 'reports guide'>). You don't need to read all the content of these reports (although some will provide very useful background to the pensions arena today), but merely study the structure.

You can find many examples of research reports on the **gov.uk website** at: <https://www.gov.uk/government/publications/research-reports-guide-and-template>

And you can find here the Department for Education style and formatting guide (March 2022) for research publications.

### 2.2 DISCUSSION PAPERS

The term 'discussion paper' causes some confusion. It is probably best described as a hybrid, combining the characteristics of an essay and a report. Like the former, it usually considers a subject in some detail, and should therefore contain extensive discussion and judgment. Like the latter, its presentation will be formal, with sub-headings and a clear layout to guide the reader (although, there is more flexibility than with the normal report form). Frequently a discussion paper also offers recommendations, so that in this sense it does resemble the content of a report.

Perhaps the major difference between a report and a discussion paper is that a discussion paper is intended to encourage thought and perhaps debate, often at a meeting, which may further influence any decision-making process, whereas a report will be more highly structured. A discussion paper may not include any recommendations, although it ought to include a summary of options.

Although this may seem a difficult mixture, it is possible to pinpoint some specific sections that go to make up a discussion paper. However, it is emphasised that these may vary according to the demands of the topic.

Normally, a discussion paper will contain the divisions suggested below.

#### 2.2.1 The Introductory Paragraph

This will set out any or all of the following:

- any necessary preliminary data (for example, initiating a request to which the discussion paper is a response),
- who is compiling it, and any other essentials; in effect, it resembles a 'terms of reference' section?
- the objectives of the paper
- any preliminary analysis of the questions and/or any background to the question or the situation which has resulted in the need for the paper

#### 2.2.2 Sources Consulted or Analysis of Information

You should include either or both of these if relevant to the question. They may be an essential prerequisite to the discussion that is to follow. It will vary with the framework given in the question. We set out below the types of items that may be included:

- legal information
- analysis of an existing present pension scheme
- description of a current situation that is to be discussed or approved
- views or opinions from other sources, e.g. colleagues.



### **2.2.3 Analysis**

Like a report, this is where the main discussion of the problem is contained. For example, where various courses of action are possible to overcome any problem identified or to improve an existing situation, a comparison of the advantages and disadvantages is essential.

The analysis is likely to consist of several sections and will include headings appropriate to the material it contains. It will almost certainly include exploration of financial implications or may explore effects on the organisation, its members, and its personnel. If it is even wider than that, it may concern a national issue but it is more likely that the discussion will be orientated within the context of a single organisation.

It is the format that will be more likely to concern wider problems. It is here that your knowledge of the field and awareness of the issues are most likely to be demonstrated. This professional expertise should be clearly presented in a logical and ordered form. It must be remembered that clear headings are required to guide the reader through the facts and arguments.

### **2.2.4 Summary**

A summary of the main facts and arguments should then follow which equate with the conclusion section of an essay. In addition, an evaluation of the courses of action open is often helpful since the previous two sections are likely to be complex. A concise summary will provide valuable clarification for the reader as to the options to be considered.

### **2.2.5 Recommended Solutions or Courses of Action**

You should include these where they have been requested or appear appropriate, together with the reasons. This section acts as clarification of the discussion that has resulted in these recommendations. It constitutes a valuable reminder that neatly concludes the paper, leaving the reader with a clear impression of logical development.

The logical development of arguments is crucial to the presentation of a discussion paper. The headings used may differ considerably according to the material needed to deal with the topic set, but the sequence and thought must be clearly apparent. It is important too, as stated in the section on Reports (2.1 above), that numbering, and headings should follow a consistent pattern and that you should use indentation and bold text to make reference easy for the reader. The sub-headings still remain an essential guide to the reader and are a vital tool for you when ordering your content. The end result should be a coherent, well-argued document with some viable proposals in the ultimate section.

### **2.2.6 Language and Style**

The paper remains a formal document and again colloquialisms are not permitted. You should use clear, concise English, which can be understood at any level. If a certain type of reader is evident from the question, you must bear this in mind when thinking about the terminology and amount of explanation you are to include in the paper, according to the principles discussed in Chapter 1.

As the writer, you should remain unobtrusive, presenting the facts and arguments clearly but not dominating the paper with 'my opinion'. Of course, you will and should have a viewpoint, but this should emerge from the evidence and facts which are marshalled in support of it, having duly considered any facts which may oppose it. Even if these are refuted, it should be on logical grounds.

Recent examples of discussion and consultation papers can be found industry bodies and large pension scheme websites such as the PLSA, NEST and the Pension Regulator (TPR), the TPR papers are best accessed through its Document library web page <https://www.thepensionsregulator.gov.uk/en/document-library>

### 2.3 ARTICLES

An examination paper may well ask questions which require you to write your answer in the form of an article. As in other formats, there are some techniques which can assist in terms of layout and structure, but again the essential stage is the planning which precedes writing. The preliminary analysis of precisely what is required is of primary importance in this case and should provide the answer to several crucial questions before further planning of content is attempted.

Try to understand your readership. Ensure you know your purpose and state it in the opening analysis so that you stand a chance of keeping their interest. The main point of difference between articles and the other communication formats we have discussed, is that the reader has not commissioned you to write the article and therefore is under no obligation to read it.

Aim to use short punchy sentences, noting that the column width in the publication is likely to be smaller than in reports. Avoid jargon, unless you are being asked to write for a technical magazine. Also, when writing for a particular publication, be aware of their guidelines for articles (word count, style, etc.).

Structure is important. Articles are usually written 'top down' so that all the important information is at the beginning with the justification following. You are not writing a story!

#### 2.3.1 Preliminary Analysis

The actual medium of publication also conditions the answer in terms of style and vocabulary, and format. We discuss these in turn below, but it must be remembered that they are interlinked.

##### *Style and vocabulary*

If the question suggests that the article is for a broadsheet newspaper, even if it is part of the newspaper which is specialist in itself, you still should not assume a significant degree of knowledge of and, furthermore, of interest in the subject on the part of the readership. Your role is to attract and maintain the attention of a wide variety of readers.

The first point to be certain about is what kind of newspaper and/or periodical is indicated by the question. In the past, the questions have always asked for articles suitable for specialist journals or a broadsheet type newspaper (e.g. The Daily Telegraph) rather than a tabloid newspaper (e.g. the Daily Mail). However, there is no reason to believe that this will always be the case.

##### *Broadsheet Type Newspaper*

Although, some newspapers that were broadsheet size are now no longer that size (e.g. The Times and The Guardian) the editorial principles persist. You can assume a reasonable vocabulary level in the cases of a specialist periodical or broadsheet newspaper. However, you must remember that many of the readers are specialists in their own particular field and, therefore, you cannot assume that there is as much familiarity with the professional terms of the pensions and employee benefits field. An awareness of this problem is a necessary factor in deciding what explanations you need to give within your answer.

##### *Tabloid Newspaper*

If a tabloid newspaper is the intended medium, then you should not assume your readership will have a familiarity with employee benefit terms or taxation terms. In addition, a simpler level of language is suggested. The problem here is that the number of words in a typical article in such a newspaper is limited. An article must not degenerate into a list of explanations of specialist terms, while at the same time a simpler level of language must not mean that the writer 'talks down' to the readers. In this case even greater planning is required to ensure that not one irrelevant word is included in the article, yet you are able to make your points clear.

Below is an example of how styles of writing may be tailored for different target audiences. The first column typifies the style in *The Times / The Guardian / The Daily Telegraph / The Independent* (the broadsheet type readership); the second column typifies the style in *The Sun / Daily Mirror / Daily Mail / The Daily Express* (the tabloid readership). The 'i' newspaper online is a bridge between the more traditional broadsheet and tabloid style <https://inews.co.uk/>

	Broadsheet Readership	Tabloid Readership
Sentence length: average words per sentence	27	16
Paragraph length: sentences per paragraph	3.5	1.1
Use of verbs: percentage of verbs used in passive voice	30	1
Length of passage reader can be expected to digest (words per editorial)	750	225

### Specialist Periodical

When considering style, if the article required is for a specialist periodical, such as *Pensions World*, you can assume a certain amount of background knowledge and certainly a high degree of interest. However, pensions and employee benefits is now such a wide subject and the knowledge within it is moving at such a pace that to assume in depth knowledge, in all readers of all the individual subjects that may arise, can be dangerous. You may have to give explanations of the more specialised or difficult areas.

### Format

There are variations in the layout of articles between the various periodicals and newspapers. Periodicals tend to be less journalistic in approach but, like newspapers, use a main headline. In many papers and some periodicals, sub-headlines appear once or twice in the article to guide the reader and maintain interest. The tabloid newspapers have large numbers of these, which seem to be based on the assumption that without them the readers' interest would not extend beyond the first sentence.

Although we don't intend that you should turn overnight into a leading headline writer, some awareness of the format usually adopted by the various publications mentioned in this section is likely to condition the structure and planning as well as the layout of the answer you present.

	Broadsheet Readership	Tabloid Readership
Layout	Stark	Massive modulation
Typeface	Standard	Change of case. Italics, bold, stars, asterisks, underlining

Once you have made a preliminary analysis in terms of likely readership and appropriate style and layout, you can carry out some further planning on this basis and order the content accordingly.



### 2.3.2 Format and Content Planning

The next stage is to consider the format required in more detail and to indicate in general terms how the content might be presented and sequenced within it.

#### *The main headline*

Every article, no matter what the publication in which it appears, will have a main headline. This needs to fulfill three major functions. It must:

- attract attention
- be brief
- be easily understood

#### *Attract attention*

It must attract attention, particularly if the article is for a nationally circulated paper with a wide readership rather than a publication of a specialist area. The same could be said if it were, for example, an article to be included in an in-house magazine aimed at the membership of a scheme or a professional periodical for non-pensions personnel.

In all cases, you need to write a headline that will arouse the immediate interest of the reader, given the fact that, for much of the general public, pensions is not a stimulating subject. This is unfortunate, but it is certainly true, partly because pensions are related in most people's minds with old age and retirement, subjects which are rejected until their immediate approach makes them a priority. Even with the start of automatic enrolment, this situation is unlikely to change in the near future.

The challenge of composing a headline which makes people want to read on is, therefore, paramount. One factor to bear in mind is that pensions do have one point in their favour - they are related to money and therefore can successfully be linked to self-interest. Your headline must promote a positive image for the subject that follows and be as striking as possible.

#### *Be brief and easily understood*

Your headline should be brief and be easily understood at a glance. This is essential as most people skim through a publication first. The more concise and pithy the heading, the more likely it is to achieve the desired effect of attracting the reader's eye.

In spite of its brevity, the headline should relate to the subject you will be exploring and should indicate clearly what lines the discussion to follow will take. A good headline in this sense helps you as well as the reader by keeping the article relevant to its original intention.

To summarise, a successful main headline will fulfil the requirements of all three of the stated functions. It will act both as a stimulant and a guide to the article to follow, leading the eye into the discussion of the chosen topic.

#### *The introductory paragraph*

The headline does not exist in isolation. You need to support it by raising interest in the first paragraph if the reader is not to abandon the article at this point. The introduction to the article is, therefore, also crucial. The first sentence should, like the headline, be striking and should maintain the interest aroused by the headline as far as possible. The paragraph should then go on to state in clear terms what the subject of the article is to be and why that subject is of current interest. This usually means a brief discussion of the background to the topic so that the reader can then understand the major discussion to follow, bearing in mind that the readership will include people whose degree of knowledge will differ.

### *The major discussion*

After the introductory paragraph comes the main part of the article, which is likely to be similar to the normal course of any discussion, i.e.:

- the statement of the problem, controversy or situation which instigated the article
- the facts and arguments related to each point at issue, both for and against. (Some articles do unfortunately concentrate only on one side of an argument, but this approach should not be adopted in the examination)
- an exploration of the outstanding problems and any possible solution.

As in other formats we have covered in this Chapter, the material is just as likely to be complex and so you need to impose some kind of structure. You may be helped by the use of one or more sub-headlines.

### *Sub-headlines*

These have two main functions:

- to summarise
- to sustain interest

### *To summarise*

Sub-headlines help to summarise the group of points to follow, which are interrelated, and thereby integrate the subject section of the article under a single heading. In this way they give the reader guidance as to what is to follow and provide a source of reference by assisting their understanding of the main issues, which will therefore be clearly emphasised.

### *To sustain interest*

Sub-headlines help to sustain interest by breaking up the prose into headed and manageable sections and by recalling attention.

The rules concerning the main headlines are equally true of the sub-headlines in that they should grab attention, be concise and indicate what is to follow.

### *Concluding paragraph*

This follows the same kind of rules as the conclusion of a discussion paper, as discussed in Chapter 2.2 above, but the emphasis is likely to be slightly different. The three main elements most likely to be present are:

- brief summary of facts and arguments
- an identification of any outstanding problems with suggested solutions if such exist
- speculation as to possible future trends or developments and any major priorities outstanding

Often the concluding sentence leaves the reader with some point to think about or to speculate upon further.

In all cases, you should leave the readership still sufficiently interested to watch for ongoing developments about the topic you have discussed. Sometimes this can be in the form of a question left with the reader but is more likely to be a statement which will include the points regarding speculation and priorities.

### 2.3.3 Summary

An article is a more informal document than a report. Nevertheless, the worst excesses of journalism are inappropriate and you should avoid them regardless of the publication in question.

One of the main objectives of an article is to sustain the interest of the readers who are to some extent anonymous and in particular differ considerably in their knowledge of the subject. You should aim to arrive at a style which is lively yet professional. Enthusiasm communicates itself without the use of gimmicks or an 'over chatty' approach. Indeed some readers can be put off by the latter type of approach.

There is a further contrast with other documents so far discussed, namely an article, unlike a report but similar to a discussion paper or an essay, can adopt a persuasive approach as it may represent a viewpoint strongly held by the writer. The danger here is that if too many value judgments are made and if other viewpoints are not represented, or even worse misrepresented, then the article can convey a strong sense of bias. The more discerning reader is then likely to dismiss the whole article as prejudiced and thus unworthy of consideration regardless of how accurate the information contained in the article is. If the argument appears suspect, it brings the rest into doubt. There is no reason why you should not present a strongly held viewpoint but if so it must be based on evidence, which is included in the article, with appropriate weight given to opposing viewpoints. If this is done then there is no reason why your view should not come across as valid.

## 2.4 OTHER PRINTED COMMUNICATIONS

The examiners may request some form of printed communication (e.g. a brochure or leaflet) intended for scheme members. Given the amount of time available, such a request will not be for an all-embracing document. It is likely instead to concentrate on one aspect of pensions and employee benefits, such as additional voluntary contributions or stakeholder schemes. Whatever the case, it will have to be brief, well-designed and written in terms the receiver can easily understand.

### 2.4.1 Why Communicate Through Print?

#### *Simple messages*

Two simple themes are associated with communicating employee benefit matters to groups of people. These are:

- transfer of knowledge
- communicating actions that need to be taken

#### *Transfer of knowledge*

Each piece of communication attempts to pass on information from the author to the audience. This key theme is clearly applicable to communicating through media such as booklets and newsletters. The wider potential readership, the varying knowledge of the subject matter of the audience and the different abilities of people to take in information can make this theme difficult to achieve.

Some people cannot spend long periods of time reading lots of words. People with this characteristic prefer to see a mixture of prose, pictures and diagrams. An example could be an article explaining the merits and pitfalls of investing in equities compared to cash for a member of a defined contribution plan. Words, tables and graphs could all be used to demonstrate the key messages associated with various investment strategies.

When drafting, therefore, you need to consider the features and characteristics of the audience and adapt your communication style accordingly to achieve the aim of transferring knowledge to different groups of individuals.

Communicating action that needs to be taken

Another simple purpose of communication is telling people what actions they need to take, e.g. complete an application form to join a plan or complete an 'opt out' form if they do not want to be automatically enrolled.

The communication material will provide information about the plan, explain the benefits of membership, and tell people the next steps they need to take or where they can obtain more information.

Hence you need to structure your communication material to clearly indicate and lead the audience to take some form of action as a result of the messages that have been transmitted.

### **2.4.2 Key Considerations for Drafting**

#### *Technically and legally accurate*

It is self-evident that all forms of communication about pensions and employee benefits must be technically and legally accurate. The messages that are conveyed have become increasingly complex due to the legislative and legalistic nature of pensions and employee benefits.

Although this requirement makes drafting of communications more difficult, when drafting you must always ensure that the messages that are conveyed cannot be misinterpreted. It is becoming increasingly common for communication material to be used as evidence in cases where there are disputes about the level and payment of benefits. It is therefore imperative for all forms of written communications to large groups of people to be checked for technical and legal accuracy.

If you know that you are writing to an audience that lacks specialist knowledge on pensions and employee benefits, then you will be expected by the examiner to be particularly careful to avoid any misunderstandings.

#### *Interesting to the readership*

As for articles, the readers of communication material will not have commissioned it and therefore you must engage their interest, even though the messages you need to convey are unlikely to affect them directly. Communication material should always try to stimulate the readership and their thought processes. By doing so the reader will be more inquisitive, continue to read the material and hopefully will take in and, if appropriate, act on the messages that are being transmitted.

#### *Link to business objectives*

You must consider the complex messages surrounding business strategy when drafting any communication material. It is possible that pensions and employee benefits communication can transmit different messages about values and culture to those with which the employee is already familiar. All communications from a company source must have a consistent theme, so as not to transmit conflicting messages.

#### *Increase value of benefits*

Good communication will increase the perceived value of benefit plans. Significant amounts of money are spent by companies on providing benefits for their employees. Invariably employees may not always understand this point and so general communications must try to get this message across. Achieving that will hopefully enhance an employee's appreciation of the benefits and the role that the company plays in caring for the well-being of their workforce. As mentioned above, the use of branding, branding aligned to the company's brand and including the company logo, also helps reinforce the company's positive role.

### *Audience segmentation*

Different messages will need to be communicated to different groups of people. It may be appropriate to carry out an audience segmentation exercise prior to drafting any material. That exercise will identify the different groups of people and their general characteristics. Different methods (such as use of language, use of diagrams) can then be adopted in communicating the various messages required. Where possible, consider providing different versions of the same document to the different groups, especially where the message is complex and not all of it is directly relevant to all members. For example, when explaining a change of investment platform, the active members will need to know what will happen to the funds they have built up as well as their future contributions. Deferred members will only need to know about what happens to their existing funds.

### *Layout of Documents*

Layout must be clear. Although a logical approach to the points is still necessary in these types of documents, the reader may wish to refer to one particular point only. This means that headings are required, though these can be in the form of questions. For instance, in relation to pension schemes, prospective members will want to know three things:

- What do I get?
- How much does it cost?
- What do I need to do?

Examples are frequently of great help but they must be relevant and genuinely help the exposition. If diagrams are introduced they need to be kept simple. If they become cluttered with detail the effect is lost. Numerical examples could also be used, but it must be recognised that some people are put off by figures in any form and at times their use may not be appropriate.

### **2.4.3 Different Types of Printed Media**

Printed media can be prepared in many different guises and forms. Some examples are discussed below.

#### *Booklets and handbooks*

More often than not the initial employee benefit communication that members of various plans see is a booklet or handbook. This will normally provide information about the benefits and the circumstances in which they are available, administrative matters and references to more formal documents and perhaps to state benefits and/or to relevant legislation.

The mixture of information that is customarily provided can often mean that communication through this means is quite complex. Added to this, a booklet is often distributed to a diverse group of people. Consequently, the recipients of the communication could have very varying demographic characteristics, which need to be taken into account when drafting.

The design of this form of communication material must also be considered. It is highly likely that there will be changes to some feature of the plan in the future that will need to be communicated to members. Therefore, the initial communication must be designed in a way that allows amendments to be simply made without significant inconvenience (e.g. stored on the company website, or a loose-leaf booklet in a binder).

#### *Newsletters*

Newsletters are another way of providing information to members about their benefits and other matters associated with the operation of benefit plans. The clue is in the title – they are produced to give news. Many employers and trustees produce these on a regular basis (e.g. half yearly) and they can focus on a variety of benefit plans, not just pensions.

The newsletters are normally fairly brief, but they can provide information about a variety of issues. It is unlikely therefore that the draftsman can go into real detail about specific subjects. The importance of getting across key messages succinctly is crucial in this form of communication.

A typical example of how a newsletter might be used is to provide summarised information to members about the pension scheme annual report and accounts. The formal report includes lots of information that must be provided, as required by the disclosure regulations. The newsletter can be used to provide abbreviated information about the key areas of the report (e.g. investment returns and key financial figures), but presenting such information in a friendlier way, for example introducing the trustee directors with photos and biographies, explaining their day to day tasks etc. At the same time the newsletter can also be used as another way of passing on information that does not have to be included in the formal accounts (e.g. can a member make additional contributions to the scheme) and also potentially as an advertising mechanism (e.g. what are the benefits of making extra contributions into the various savings options). Employers and trustees should not of course provide financial advice to employees.

The example above highlights the potential to provide a mass of information through a newsletter. The same drafting issues (e.g. audience characteristics) and the need for a limited amount of detail require you, when drafting, to consider the design and means of transmitting messages. Newsletters regularly include tables and diagrams as a way of passing information. That reduces the need for large amounts of text, although it presents other issues that have to be considered such as the layout and order of the document.

### *Announcements*

An announcement can be described as a form of leaflet that is distributed to members. It normally deals with specific issues (e.g. a change to a benefit plan) and so can focus on the issues surrounding that particular subject matter.

Announcements are normally short. The message should be concise, clear and tell the employee or member what impact, if any, the change may have on them now and in the future. It should also tell people what action, if any; they need to take following the announcement and where further information might be available if this is needed. Sometimes the announcement may be issued as part of a consultation process on proposed benefit changes and will therefore invite feedback on the proposals.

As with the booklet, wording in an announcement could be considered by a Court in the event of a dispute over a member's benefit entitlement. Therefore, it should be reviewed carefully, before issue, despite its brevity.

People may need to keep the announcement. The design should align with the distribution mechanism of other communication material (e.g. loose leaf folder, folder with a pouch at the back for keeping other documents, and/or stored on the company website), so that they can be easily stored for future reference.

### *Abbreviated reports*

The most common form of abbreviated report is the annual trustee report and accounts. It can sometimes be provided in the form of a newsletter, as indicated above, or as a report. As the report is about a specific subject matter, it can go into detail about various matters. For instance, there can be detailed information about investment and commentary about various asset classes and their relative performance against a given benchmark.

Although such reports can be more detailed when compared to a newsletter, they do not need to be as formal as the report that they are summarising. They may not be bound by the same legal restrictions and so you have more freedom over what information to provide and how this should be provided. Complex subject matter can then become more understandable to a wider audience with differing characteristics.

Another example is the annual summary funding statement required for members of a defined benefit scheme under the Pensions Act 2004. Information on the funding position of a scheme must be communicated with great care; the existence of a deficit may alarm readers, but the employer and/or trustees could be criticised if they do not communicate the risks associated with the funding of a defined benefit scheme. Hence, the communication will inevitably have to include matters of significant complexity.

### 2.5 LETTERS, MEMOS AND EMAILS

When you write a business letter, you are looking to develop the professional relationship between you and recipient. Make sure that you start the letter with your main message. Also, review any action points at the end of the letter. This helps both you and the recipient.

Beware of being too formal or too casual in the tone of the letter. Be positive, definite and sincere. Pay attention to the salutation, heading and closure of the letter. Take care with references, dates and any extra elements. When dealing with complaints, demonstrate sensitivity and understanding.

Memos (internal communication) may allow an abridged writing manner.

Emails have largely, but not entirely, replaced memos, and often memos are circulated via email. With emails, similar concerns as with letters or memos may apply, depending on whether the communication is external or internal respectively. Bear in mind, however, that email communications are easily forwarded to other people, and are easily sent before they have necessarily been reviewed to the appropriate level. Perhaps, partly because of this last point, email communication can be relatively informal in style.

#### 2.5.1 Letters

##### *General*

At work and at home, most of us need to write letters. It is, therefore, important that you follow a simple structure, to help you succeed in getting your message across to the recipient.

If you address your letter with 'Dear Sir' or 'Dear Madam', then you should sign off with 'Yours faithfully'. Otherwise, if you start with a name, sign off with 'Yours sincerely'. Note a small 'f' and 's', but capital 'Y'. In practice, most letters will be individually addressed. An alternative is the term 'Dear Sir or Madam' however this can also be criticized for not being gender inclusive. Depending on the formality allowed the term 'Hello FIRST NAME OR FIRST AND FAMILY NAME' may be used.

No punctuation is required for:

- the address
- the date
- Dear Sir
- Mr
- Yours sincerely
- Yours faithfully

##### *Content and style*

It is helpful to make it clear from the outset what the letter is intending to discuss and, frequently, the subject appears as a heading immediately beneath the 'Dear ...' However, the first sentence needs to draw the receiver's attention to the reason for the letter, for example:

- Thank you for your letter of...
- Following our telephone conversation yesterday, I am writing to ...
- You may be aware that the Pension Act 2004 has made compulsory ...

The opening paragraph should make it clear what the letter is about.

Nowadays, letters can follow a number of different styles. It is best not to use too familiar a style in the examination. In particular, you should attempt to follow a consistent style throughout your letter. It is a matter, usually, of company style or personal preference whether your letters are justified or not (i.e. whether the right hand edge of each line of text in a paragraph is aligned). Some find justified letters easier to read. Gone are the days when there were objections to a justified letter because it was thought to be a standard pre-printed letter.

### *Structure*

You should structure your letter into subject paragraphs. Although, in short letters, you wouldn't normally use further headings, any question asked in the examination will require you to write a lengthy letter. As with the use of sub-headlines in an article, the careful use of sub-headings will help guide the reader through the letter and break up the text into manageable portions.

The golden rule is that you should use language that is simple and concise. As with other formats, you should keep in mind the likely vocabulary level of the reader in terms of both his or her normal language usage and how far technical terms can be used without explanation. You should consider whether or not you need to use any technical terms at all. If you find that you must use technical terms, and you need to include an explanation of the term, you should refer to the PMI/PRAG's latest Pensions Terminology guide.

If the letter is to a member or a dependent explaining the current position, you may find that you don't need to use any technical terms. Instead you can give a carefully worded explanation of what is happening.

For example:

'You have two choices open to you: you could have a pension of £x per year or you could take a cash sum of £y and have a reduced pension of £x per year'.

This example shows how to avoid the word 'commute'. Unless you consider such possibilities, you can find yourself writing a letter predominantly made up of definitions of technical terms.

If you want the recipient to do something, then make it quite clear. Ask direct questions – politely, of course. State for example, that you need a particular action from them so that you can help them. Put your action points – and any they need to take - at the end.

The final sentence may be a complete sentence expressing some sort of willingness on your part to answer further enquiries. Phrases such as 'Thanking you in anticipation' still appear in letters as a final paragraph, but they are ungrammatical and should be avoided. Also try to avoid 'Please do not hesitate to contact me'. Instead you could use 'Please ring me to discuss any queries' or 'Please contact me to discuss any queries'

Finally, a letter should be entirely clear and comprehensible to the recipient and complete in itself.

Nowadays, in business, many letters are, at least in part, computer generated. Nevertheless, the basic principles still apply. It is good practice for a scheme to review, from time to time, their computer-generated letters to make sure they remain fit for purpose.



### 2.5.2 Memos

Although memos have been superseded by email, they may still be used, often by senior management. Also emails often include a memo as an attachment. The basic principles for memos and emails are broadly the same, subject to some special considerations for electronic communications (see below).

A memo is essentially an internal document, although memos are sometimes sent between organisations with close links. Therefore, they tend to be less formal than a letter or a report.

A typical layout for a memo is:

NAME OF ORGANISATION

To:

From:

Date:

Subject:

Often the position of the receiver and author are given for example:

To: Kathleen Smith, Personnel Controller From: Michael Brown, Pensions Manager

In your opening paragraph you should expand upon what is to be discussed, bearing in mind the subject you have specified in the title. The rest of your material can follow in a logical manner, making full use of paragraphs.

It can help in a long memo, and in the examination, it would be a comparatively long one, to number the points. Sub-headings may also help your reader.

Depending on how you compose the memo, you may not require a formal, concluding paragraph but, in most cases, you would need to include some indication of the action you want the recipient to take and any time limits for the action.

At the end of a memo, you can either use your initials or signature, depending on organisational habit or personal choice.

You should remember that, just because the memo is an internal and somewhat informal document, there is no reason for overlooking all the points made in other parts of this Study Manual concerning language, planning and structure. Indeed, if it is a lengthy document, these conventions are all the more important.

There have been legal cases and, in particular, Pensions Ombudsman determinations, where internal memos have been considered as evidence (internal memos have sometimes been brought to light in queries over Government decisions), and so the informal nature of the document should not be used as an excuse to write anything that could be considered in a bad light if read by someone other than the intended recipient.

Professionalism and diplomacy should be maintained at all times in written communication.

### 2.5.3 Emails

Much of the considerations we have already discussed apply equally to drafting emails, depending on whether the communication is external or internal. Writing styles in emails can be relatively informal. This, and the ease and speed of emails, can make them a particularly hazardous form of communication since misleading or poorly set out information in an email can be just as damaging to the image of a company (and just as risky in terms of potential legal claims) as poor drafting in a more formal document. Be aware of the potential consequences of issuing emails while they are still in draft form!

Some other specific issues should also be considered when drafting emails.

- Chains of emails are often formed, with previous emails being resent with the new communication. You should consider whether this is appropriate - it is easy to send something which turns out to be a lot longer email chain than you realised, and may include emails between colleagues that ought not to be issued externally. Be selective about the chain, although it is often helpful for the recipient to receive a copy of his or her previous email.
- You should carefully consider the security protection of any attached files, particularly those containing personal information.
- The formatting of the email, such as paragraph alignment and non-standard text fonts, may sometimes be lost in transit depending on the system used by the person receiving the text. Therefore, you should carefully consider the use of formatting.
- Partly because of the issue of formatting, email is unlikely to be appropriate for longer documents, and you should consider using a different format, such as a report. As emails are so easily sent, you need to make a special effort to consider the need for another person to review the email before it is sent. Also, take care with spelling. Email systems will usually offer the option of an 'auto-spell check', but this does not negate the benefits of a peer review. (And always make sure that your 'auto-spell check' is in English, rather than US English, unless your company is American and insists on US English.)
- Emails can be received almost instantly, and you need to be ready for an immediate response, either by email or perhaps by phone. Some organisations have now introduced 'real-time' email/instant messaging.
- When responding to an email, consider carefully the parties to which your email will go - is the list of recipients complete and is it excessive?
- There is a risk, due to the ease and speed of emails, of automatically responding to an email with another one when a telephone conversation is more appropriate.
- Remember that your organisation may require disclaimers and company 'signatures' to be included in all emails.

Finally, a practical tip for emails. Be careful when using email to send large pictures or documents (e.g. over 5MB) – these can cause problems for the recipient (by making their computer response time very slow or even causing a 'crash'). Always mention that your email includes an attachment. Also, many companies have a limit on the overall size of incoming emails, usually set at 5MB, or 10MB.

## 2.6 PRESENTATIONS

Clearly a distance learning course or a written examination cannot test your ability to make presentations or how effectively you can communicate verbally. However, you may be asked to prepare a presentation, speaker notes or a handout. Therefore, in this chapter we focus predominantly on the preparation required to communicate through presentations, rather than on the actual delivery of the presentation.

Typical examples of presentations that might be asked for are a consultant making a proposal to potential clients, a technical specialist providing training on a particular subject, or a benefits manager explaining scheme changes to employees.

### **2.6.1 Communicating Effectively**

As with any form of communication, the same basic principles apply to presentations. Your material must be accurate, you must use language appropriate to the audience and you must avoid jargon. As you prepare for the presentation, you should ask yourself the key questions associated with all forms of communication - who, what, how and when.

#### *Who - the presenter and the audience*

The first questions that you will need to ask yourself are what your role is and what your terms of reference are. You should know the subject matter, but you will still need to understand what your role is in the presentation and what you can say. For instance if you are asked to draft a presentation as an external consultant, you may assist in presentations to employees, but your terms of reference may mean that you cannot say the same things that a benefits manager might say in response to questions from an audience (e.g. commenting on company policy). So, in preparing for the presentation, you must fully understand which areas you will cover and the precise scope of the presentation.

As with any communication to a wider group, it is likely that the audience will be a mixture of different types of people with different skills and levels of understanding. You must gauge what the audience knows and the information that you need to pass onto them. Some audiences may have specialist knowledge of the subject matter, whilst others may not. You also need to assess the impact of the messages that you are passing on. It is important that you correctly judge the audience, so that you can pitch your presentation at the right level. This will also help in terms of handling questions.

#### *What - purpose, objectives and messages*

When preparing a presentation, it is important that you know what you are going to do and why. Always think of what the audience will do as a result of the presentation (for example understand benefit structure) and so write a list of objectives for that audience. Once you know precisely what you hope to achieve (i.e. the purpose), you will be able to highlight points that will help fulfil the presentation and can exclude other material which does not contribute effectively.

It is important that the messages you communicate in the presentation agree with the objectives. The audience will want to know what the presentation means for them - the messages. For instance, the presentation may be about organisational change and so the messages will have to tell the people what the implications are likely to be. Likewise, if the presentation is about a new benefit plan then the messages will be framed to give people information about the benefits and any action that they may need to take.

#### *How - the media used and style/structure of presentation*

When preparing a presentation, you will need to know whether any additional material will be required, such as handouts and relevant props, and how these might enhance the messages that are to be transmitted.

You must consider the style and structure of the presentation. In terms of preparation, you must consider whether the words and tone are likely to be upbeat, cautious, optimistic or sombre. Although you are likely to want to be upbeat and optimistic, the messages from the presentation might be quite the opposite and accordingly the words and tone of presentation must be adapted to the content.

#### *When - timing of presentation*

Presentations may form one part of a wider communication strategy. The timing of the presentation should take account of the key activities associated with the communication strategy (e.g. what needs to be done and by when).

The presentation should also consider the sequencing of the communications. For instance, some written communication might need to be distributed to the people attending the presentation before the actual presentation (e.g. a plan booklet). The attendees will then have the opportunity to consider the subject matter beforehand, which will usually make the presenter's task of getting key messages across somewhat easier. However the presenter then needs to review the written material to ensure they can manage their audience and consider questions that may arise.

Any contingencies that exist on the other parts of the communication strategy (e.g. distribution of material prior to presentation, timescale for action after the presentation) must be considered when deciding the timing of the presentation.

### *Handouts/technical notes*

Your audience might expect a handout after the presentation. This is likely to be the case where the purpose of the presentation is to share new developments or technical issues with them. You need to think about the preparation of these technical notes. The handout or technical notes would provide sufficient information for the audience to refer to in future. The handout should not, however, be as detailed as a verbatim script, but it should be more than the speaker's notes you might use to prompt you when giving the presentation.

### **2.6.2 Structure and Preparation of the Presentation**

It is important that you think about the structure of the presentation. The presentation needs to fit together, so that the audience does not receive mixed messages. We set out below some key points to consider in deciding on the structure of the presentation.

- The main theme or objective of the presentation should run throughout the presentation.
- When speaking on any subject it is only possible to convey information in a series of chunks. For that reason, it is important that you are selective about the information you choose to communicate. In most presentations, six pieces of information is quite often the most that audiences will cope with.
- Real life examples, visual aids or analogies can be used to reinforce or highlight a point and which then supports the message. Additionally, examples can sometimes make it easier for the audience to understand the messages that you are conveying.
- Keep the message simple.
- Use familiar words to which the audience can relate and avoid the use of jargon.
- Use different types of questions (closed, open ended, leading and rhetorical) to aid audience participation.
- When presenting, speak clearly, but vary the pitch, volume and tone. This can add interest to what you are saying. Also, think about your body language.
- Pausing during the presentation can have the same effect as the use of punctuation in written communication. This will let the audience know that you have made your point or finished talking about a group of ideas.
- You should make key points more than once, to reaffirm the messages from the presentation. Remember the old adage "tell them what you are going to say, say it and then tell them what you have said".
- You need to consider particularly carefully the opening and end of the presentation, as invariably the audience is more receptive to the messages at that time.
- You should end on a high note, so that a lasting impression is left with the audience.
- The length of the presentation is important. A general rule is the shorter the better.

These are some general points to consider when preparing your presentation. The more thought that is put into the preparation stage, the more likely it is that you will deliver a good presentation.

### 2.6.3 Presentation Tools and Visual Aids

You can use various tools and visual aids to enhance the presentation. We include some examples of these, and the issues to consider when preparing, below.

#### *Full script*

If you are asked to write a full script, this should be a word for word draft of everything you intend to say from introduction to close. It should be broken up into clear sections with sub-headings as pointers to enable you (and your tutor or examiner) to understand the structure (in practice, of course, you would not read out the sub-headings).

Some presenters prefer to type the whole of their script in UPPER CASE, or use a large font, which makes it easier to read. Additionally, it is helpful to underline portions of text where you need to place special emphasis on what is being said. You should also mark in the script the places where you would change to a new topic (this will usually coincide with the sub-headings).

It is unusual for a presenter to read a script verbatim, especially with short presentations, and it is generally speaking a bad idea to do just that as it can be difficult to convey emotion and to interact when reading from notes. You are most likely to use a full script if you are giving a paper at a conference or if your audience expects a full transcript afterwards.

#### *Speaker's notes and cue cards*

You may want to use brief notes or cue cards. They give more detail than what might be on the slides, but less than a full script. If you began preparing by developing a full script, the notes will be a distillation of the full script listing the key points.

This is one way of preparing cue cards:

- write the major objective on the cue card - this can be used as the introduction
- write in shorthand each idea that backs up the major objective on a separate cue card
- find an illustration or example that backs up each idea and write this on a separate cue card
- collate these ideas together and use only the four or five best ones
- arrange the ideas into a logical order
- write on another cue card a brief summary of your ideas and restate your objective; this can be used as your conclusion.

The more you practice, the less you will need to rely on the cue cards - and this should make interaction with the audience easier. Cue cards can become a fallback in case you forget a key point, but you should not actually use them in full on the day of the presentation. You may find, like some presenters, that you can summarise everything you want to say on one cue card.

#### *Presentation slides*

It is likely that your presentation will be supported by slides. Where you are using cue cards, the points on the slides could replicate the way that you give the presentation.

The slides should contain only key points and should use straightforward language. Unless you are using a quotation, stick to bullet point format. Don't try to cram too many points on to one slide - it is usually better to cover an extended series of points over two slides. It is essential that your slides are clear and uncluttered, and you should make sure you are consistent in style and layout.

If you need to present financial data, special care is needed. Tables of numerical information can be difficult for the audience to see and it is easy for you to fall into the trap of talking to the screen rather than the audience.

Make sure you concentrate on the essential information and consider giving the full financial details as a separate handout. Often, financial data has more impact if it is shown diagrammatically (e.g., as a histogram) or in a graph. Again, do make sure it does not become over-complicated and hard to understand.

When preparing slides, some people also include images and pictures on the slides. These are sometimes used as a way of transmitting a distinct message to the audience in either a humorous or serious way. Slides presented in this way are sometimes used as an ice-breaker or to make a striking impact on the audience.

### **2.6.4 Checklist for Presentations**

We set out below a useful checklist that you may wish to use when preparing a presentation.

- Use language appropriate to your audience and subject matter.
- Keep your message simple.
- Use familiar words.
- Use concrete, not abstract ideas.
- Use examples from your own experience.
- Involve your audience.
- Make key points more than once.
- Maintain eye contact with your audience.
- Give summaries of what you have said.
- Change the scenery - e.g. use a visual aid.
- Monitor your audience for interest.
- Try to inform and entertain. Make an observation which shows that the presentation is not entirely pre-scripted.
- End on a high note.

### **2.6.5 Team and Client Meetings Online**

10 Tips given for productive online meetings are:

1. Check with users that all invited can use the chosen online tool (i.e. Teams, Zoom)
2. Put in the subject header what online format the meeting will use (i.e. Teams, Zoom)
3. Put in the subject header the contact mobile number of the Chair of the meeting in case of any connection problems
4. Have a clear agenda circulated in advance
5. Request users to mute their microphone when not speaking
6. Consider having a starting time at 15 or 45 minutes past the hour as this can build in breaks for people coming out of a 1-hour meeting
7. Reduce the time limit of 60 minutes for normal meetings to 30 or 45 minutes to give users a break as they may have several online meetings
8. Confirm who will make notes of the meeting and actions points and how these will be circulated
9. Be prepared for any screen sharing and clear own laptop/desktop on anything that may distract a viewer
10. Check that you have access to the chosen online tool and practice its screen view options.

### 2.7 MEMBER ENGAGEMENT AND COMMUNICATION PLANNING

The Pensions Regulator (TPR) 21st Century Trusteeship Value for members key messages are:

- Trustees of DC schemes have a legal duty to produce a Value for Members (VFM) assessment and include the findings in their annual Chair statement
- The VFM assessment can have a significant impact on members' savings and help safeguard positive member outcomes
- When compiling the VFM assessment, trustees should adopt a proportionate approach, based on the characteristics of their scheme
- It is strongly recommended that DB schemes assess value for members to help ensure good member outcomes

**Member engagement** is fundamental by trustees to undertaking this VFM assessment. To engage (i.e. 'properly communicate') with members, the trustees should know the members' range of ages, and other defining characteristics.

TPR's DC code of practice 13 issued in 2016 has a specific section on Communication and Reporting and states: *#134. Good member communications, provided at the right time and in an accessible format are vital if members are to engage and make decisions that lead to good outcomes in retirement.*

In addition TPR provides information on member communications about retirement options, scam warnings and responding to requests from members (<https://www.thepensionsregulator.gov.uk/en/trustees/communicate-to-members>)

Knowing a person's expected reading age, location, salary, and previous responses to communications can be used to build a member's communication plan.

A communication plan will set out communication objectives that add towards achieving better outcomes for members. For example, one communication objective could state *"Provide timely and accurate information to members at key stages of their life to make beneficial pension related decisions"*.

The ICAEW AAF 05/20, published in 2020, is used by TPR as evidence for master trust supervision, sets three communications control objectives for master trust schemes to have:

- A documented regularly reviewed communications plan
- Arrangements for ensuring the quality and accuracy of member communications
- An operating process to receive member feedback, log issues, resolve their complaints.

All of these are expected to be monitored by trustees through an established process.

A communications plan would have a list of key communications and timings, communication objectives, audience, method of delivery (such as post, posters at work, email, website), and the responsible parties for the communication information, delivery, and member responses. Key communications would include the annual benefit statement, scheme newsletter, and age-related specific information such as being 10 years from target retirement date.

### 2.8 MEMBER COMMUNICATION TYPES AND CHANNELS

The growth of different types of communication and the emphasis on getting better member outcomes at retirement has resulted in far more resources and communications options being developed for members. This has raised expectations for interesting, attractive communications whilst having information that is complete (for the purpose of the communication) and accurate. This creates the balancing act of being clear and concise, whilst meeting the relevant legislative disclosure requirements and relevant to each member. The VFM requirement means that trustees can justify expenditure more than the bare legal minimum.

### **2.8.1 Member Benefit Statements**

TPR expect the member annual benefit statement to include accurate financial information which requires the member data to be of high quality, and for sufficient resources to be allocated that these statements are issued timely. It is expected that trustees know how the scheme administrator, or other preparer of the statements check the accuracy of calculations and data of these statements, and are alerted if there are any issues arising.

### **2.8.2 Member Web Information**

A public website is viewed as essentially for many schemes. It acts as the 'go-to' source of information on how to join, update personal information, help members plan their pension contributions and project their retirement income, give feedback and request information.

It is also now a legal requirement for some information to be published on a publically available website for the scheme annual report and accounts, DC Chair's statement, the impact on fund manager charges on members savings, the scheme SIP, and Implementation Statement on ESG actions.

### **2.8.3 Member Survey and Feedback**

TPR's code of practice 13 sets out a number of areas where having an understanding of the members of the scheme is key to inform the design of investment strategies and the assessment of value for members. Guide 6 of the six guides to this code is Communicating and reporting and recommends a number of engagement methods to get feedback. (<https://www.thepensionsregulator.gov.uk/en/document-library/scheme-management-detailed-guidance/communications-and-reporting-detailed-guidance/6-communicating-and-reporting>)

The Member Survey of a printed page of questions and statements delivered with a retirement options pack and SAE (Stamped Address Envelope) was once the only form of member engagement for many pension schemes. Feedback arrangements now can take on many forms using different communication channels and be targeted for specific audiences. A Member Survey could now even be tailored to ask different questions and have different images depending on the cohorts (different groups of people with a shared characteristic). Printed surveys by post can now be distributed online; or use phones. Feedback may also be given through centralised mailboxes which are highlighted in the Chair's Annual Statement in the annual report and accounts. The information fed back to the Trustee Board could be categorised,, where for example consistent points have been raised by members, or individually where escalation is required due to the nature of feedback. As expected with the increase in use of smart phones and tables there are surveys being produced online, particularly with the larger master trusts, which give good examples of clarity, segmentation of readership by age and expected key topics and tone from the age group selected.

### **2.8.4 Member Apps**

Member apps have been developed to meet the needs of a new and growing audience arising from the development of DC master trusts which have over 18.8 million people saving over £52 billion (TPR Defined Contribution (DC) trust scheme return data 2020 – 2021 (published 30 March 2021)), many of which are now saving into a pension for the first time because of automatic enrolment.

Building on new data platforms the member app makes commercial sense. A member mobile app will have the same features as banking mobile apps with real time information showing the value of a pension pot, and using basic assumptions, what this pot may be worth in the future. As the mobile smartphone supports Face ID and fingerprint technology, pension details are kept private. With the use of two-factor authentication a member can make instant changes to their pension account on investment funds, preferred retirement date, personal information, activate a private live chat session, and even make one-off additional contributions should the member find that they have some money spare on pay-day.



DB schemes can also take advantage of smartphone apps, as these are now also able for member existence testing. The smartphone can match a live video transmission to existing records and other bio-metric and non bio-metric security tests to check that a scheme pension being paid is going to the member entitled to it.

### **2.8.5 Member Videos (online)**

The use of online videos to find out how to do things has progressed to pensions. Some pension administrators have videos on their member websites to explain how to use a pension calculator or make changes. Previously, this would have required an exchange of letters or managing one-to-one phone calls at greater cost to the scheme.

### **2.8.6 Developments in AI and Tools for Member Assistance**

Artificial Intelligence and use of machine learning to manage member queries is an increasing area of investment for pension administrators and fund managers. The desire to cut costs and speed up response times to customer queries is making 'robot' assistants for pension queries more likely. The 'robot' will move into action when a significant event in the customer's (member's) life is detected. A birth date, change of address, marital status or income will trigger the robot to make contact and start a communication flow with the member. Depending on the responses from the member, other robot activated communications then take place.

The speed of AI advancement has even created avatar people images on screen which are now in development so that a customer can have a conversation with the robot and get pension assistance. Even without the images on screen 'Robo-advice' is area of growth. Although not part of the syllabus for examination The OECD (2017), Robo-Advice for Pensions is useful further reading (<https://www.oecd.org/pensions/Robo-Advice-for-Pensions-2017.pdf>).

## CHAPTER 3

# Legal Requirements and Good Practice Expectations

TPR's 21st Century Trusteeship and governance paper published in 2016 was a drive to raise standards and improve the way that pension schemes are managed, and from that trustees have been told to publish specific scheme communications. This was part of a wider environment of change from legal interpretations of existing law and a raising of expectations of good practice as cloud-based communications developed in other walks of life and industries.

### 3.1 PENSION OMBUDSMAN JUDGEMENT EXAMPLES

Communications, organisation and procedures must follow good practice, otherwise you may face consequences and end up with a customer (member) complaint to the Pensions Ombudsman. The following are some examples of less than good practice in regards to communications, organisation and procedures which resulted in upheld or partially upheld outcomes by the Pensions Ombudsman:

NJA Pensions Scheme (PO-21495) Respondent: The trustees of the scheme Date: 18th August 2020

Result: Partially-upheld Reference Number: PO-21495 Link to case:

<https://www.pensions-ombudsman.org.uk/decision/2020/po-21495/nja-pension-scheme-po-21495>

Mr N filed a complaint about the malpractice taken by the NJA Pensions Scheme. The complaint relates to:

- 1) The Trustee's failure to keep accurate records about the Trustee's meetings.
- 2) The Trustee's failure to produce scheme accounts in a timely manner.
- 3) The Trustees failure to rectify a shortfall in income paid to Mr. N.
- 4) The level of fees that the Trustees incurred in respect to the scheme.
- 5) The Trustee's refusal to appoint Mr. N as New Trustee of the scheme and the Trustee's refusal to allow Mr. N to nominate new Trustees.
- 6) A payment made by the Trustees to a Mr. Z in 2014.
- 7) A planning application in respect of the trust property made in 2014.
- 8) The Trustee's valuation of the scheme property in 2017.

The Ombudsman determined that Mr. N's complaint is partially-upheld. The Trustee was ordered to pay £500 in respect of the significant stress and inconvenience which Mr. N has suffered.

*Scottish Teacher's Superannuation Scheme, Scottish Teacher's Pension Scheme (CAS-38375-F4Q9)*

Respondent: Scottish Public Pension Agency (SPPA) Date: 18 August 2020

Result: Partially-upheld

Reference Number: CAS-38375-F4Q9

Link to TPO case decisions: <https://www.pensions-ombudsman.org.uk> 'Previous decisions'

Mr. N's complaint of malpractice by the SPPA relate to the following issues:

- 1) Mr. N complained the SPPA did not send him a starter pack when he joined the scheme and so he misunderstood how the scheme worked.
- 2) Mr. N complained that the SPPA provided him with incorrect information which caused him to miss the opportunity to receive a refund of the contributions he had made into the scheme.
- 3) The complainant believes the SPPA should refund the contributions he made into both the new scheme and the original scheme.

The Police Ombudsman determined that Mr. N's complaint is partially up-held. The SPPA were to pay £500 for the significant stress and inconvenience he suffered.

### 3.2 GDPR REQUIREMENTS OVER PERSONAL DATA

All communicators have to be vigilant to the GDPR regulation. There is a legal framework with potentially hard-hitting financial penalties for organisations that fail to meet the standards of care for lawful processing of personal data. The seven key principles are:

- Lawfulness, fairness and transparency
- Purpose limitation
- Data minimization
- Accuracy
- Storage limitation
- Integrity and confidentiality (security)
- Accountability

All organisations, a communicator works with, should have clear procedures as to how to adhere to these principles. Any personal data, such as salaries, names, NI numbers that are given in personal communications will require a strict set of operating standards to make sure there are no GDPR breaches and avoid financial and reputational damage to the scheme and data controllers and data processing organisations. For instance, if data is being sent to a third-party to publish personal benefit statements, all parties need to be aware of how to be GDPR compliant.

### 3.3 UK GOVERNMENT COMMUNICATIONS

The UK government as communicator of the State Pension has impacted members and non-members of pension schemes. And the UK Government is intent on making annual pension scheme statements easier to understand, and to reduce losses to UK citizens from financial crime through fraud.

#### 3.3.1 Women Against State Pension Inequality (WASPI)

The Pensions Act 1995 s 124 Sch 4 increased the age women receive state pension to 65 from 60 years of age as part of equalisation with males. By October 2020 state pension age was 66 for both sexes, and will increase to 67. Over 3.8 million women, born between the dates 6th April 1950 to 5th April 1960, have been affected by the way in which the changes were implemented. These women have faced changes to how they received their state pension and many believe they were not provided with appropriate notification. They argue that there was little or no notice given of these changes and that as a result hundreds of thousands of women are facing financial hardship because they do not have enough time to re-plan their retirement. WASPI (Women Against State Pension Inequality) reports that many women did not know that their retirement age had increased up to 6 years. In 2011 further increases to the state pension age were made. The changes were brought in faster than the coalition government had promised and again it occurred with little or no notice for women to re-plan their retirement.

Women of a similar age have a large variation of when they will receive their state pension. A one-year difference of birthdays can result in almost a three-year difference to the age when state pension can be received. Letters were sent to some of the women who would be worst affected, those born at the start of the decade from 1951 to 1953, received letters 14 years after the Pensions Act 1995. Many women only received a letter advising them of the change within one year, when they were 59, of their expected retirement at 60. Women claim they were given as little as one year's notice of up to a 6-year increase to their state pension whereas men has received a six year notice of their 1-year rise in pension age. Many women reported receiving no letter at all. One of the most recent developments was in July 2021 when the Parliamentary and Health Service Ombudsman (PHSO) found failings in the way the DWP communicated.

One newspaper article in June 2019 put the cost of reversing women's pension age back to 60 years of age would cost over £180 billion. In the 2019 general election one political party pledged it would payout £58 billion over five years with individual payments averaging £15,380.

However, on 3 October 2019, the High Court dismissed a claim for Judicial Review brought by the backto60 campaign group. Backto60 argued for Judicial Review of the Government's 'alleged failure to inform them of the changes.' However, the Court rejected the argument that equalizing male and female pension ages amounted to sex and age discrimination.

An appeal was dismissed on 15 September 2020. A DWP Press Summary stated:

The Court unanimously dismisses the appeal, holding that adopting the same state pension age for men and women does not amount to unlawful discrimination under either EU law or the Human Rights Convention. The Court considers whether there is any legal obligation on the Respondent to notify people of the change to their pension age and holds that in any event the Divisional Court was entitled to conclude on the evidence that the publicity campaign implemented by the DWP had been adequate and reasonable. Finally, the Court holds that the application for judicial review had been made substantially out of time and the long delay in bringing the proceedings would have precluded the grant of any remedy even if the grounds of challenge had been made out.



### Women's State Pension age communications inadequate, Ombudsman finds

The Parliamentary and Health Service Ombudsman (PHSO) has found failings in the way the Department for Work and Pensions (DWP) communicated changes to women's State Pension age.

The 1995 Pensions Act changed the law so that women would no longer be able to claim their State Pension at 60.

The Ombudsman received a significant number of complaints about the way this was communicated by DWP. Many women said that they were not aware of the changes, and experienced significant financial loss and emotional distress as a result.

PHSO has found that from 2005 onwards, there were failings in the action taken by DWP to communicate the State Pension age. The investigation report has been laid before Parliament. It describes how DWP failed to make reasonable decisions based on the information available to it, and failed to communicate with the women affected with enough urgency.

The Ombudsman's investigation will go on to consider the impact these failings had and make recommendations to put things right for any associated injustice.

**Amanda Amroliwala, Parliamentary and Health Service Ombudsman CEO, said,**

'After a detailed investigation, we have found that DWP failed to act quickly enough once it knew a significant proportion of women were not aware of changes to their State Pension age. It should have written to the women affected at least 28 months earlier than it did.'

'We will now consider the impact of these failings, and what action should be taken to address them.'

### 3.3.2 Pension Statements

There is a drive to improve the level of understanding of pension statements for members. Statutory pension statement guidance was issued in October 2021 with an illustrative template (<https://www.gov.uk/government/publications/how-to-provide-simpler-annual-benefit-statements>)

The key communication objectives being to answer three key questions for members:

1. How much money do I have in my pension pot?
2. How much money could I have when I retire?
3. What could I do to give myself more money in retirement?

This third question is part of the 'nudge' technique following the nudge theory concept in behavioural economics that individuals can be moved to make better choices with better use of communications and incentives. The review concluded that better engagement can complement automatic enrolment and reinforce individuals' saving behaviour, and that to be successful, engagement should reflect a number of key principles. Approaches should be:

- Simple
- Personalised
- Timely
- Accessible
- Work with the grain of peoples' busy lives.

The review recognised that there is no single 'silver bullet' which will lead to stronger personal ownership of pension saving but that this can come from the cumulative impact of more effective engagement tools and interventions. (See also 3.4.3 for recent Nudge-led regulations for DC members).

The review identified annual pension benefit statements as being often ineffective and a lost opportunity because they are too long and complex which means some savers do not understand or engage with the information they receive.

As individuals progress through employment they are likely to have more than one workplace pension pot and will receive a number of statements which may be inconsistent in length, language and style. That inconsistency presents another potential barrier to engagement and planning because individuals cannot quickly and easily compare multiple statements.

Developments are continuing to improve member outcomes through better pension statements. PMI students are encouraged to look at industry body website such as PASA for commentary and guidance.

The three issues to be concluded are whether:

- To promote the use of simpler and more consistent annual pension benefit statement across the pensions industry through greater standardization of structure, design and content to improve member engagement and understanding
- To amend to the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013 to require schemes to include member level charges and transaction costs in pounds and pence on the annual benefit statement
- The Secretary of State for Work and Pensions should be in charge of issuing guidance under statute on SMPI statements, replacing the Financial Reporting Council's role

### 3.3.3 Scorpion Pension anti-scam communications

The UK government is putting more resources into a communications campaign to counteract the communications made by criminals that lead people into handing over their pension money to fraudsters. Over £30million has been reportedly lost to pension scammers since 2017 according to complaints filed with Action Fraud, says the Financial Conduct Authority and The Pensions Regulator.

The true number of victims is likely to be much higher as savers fail to spot the signs of a scam and do not know how much is in their pension pots. Research found that of a survey group of football fans approaching retirement, just 43% knew how much was in their pot and nearly half (45%) did not know how to check if an approach about their pension was legitimate.

Member communications now has to take into account how fraudsters are operating, and explain to members about the dangers of transferring money into suspicious arrangements, and how trustees can demonstrate they have given every warning to a member, who having lost out to pension scam, seeks compensation via a Pension Ombudsman complaint.

The Financial Conduct Authority has set up pension savers can test how ScamSmart they are by taking an online quiz ([www.fca.org.uk/scamsmart](http://www.fca.org.uk/scamsmart)).

More recent examples of information about pension scams are in the Money Helper website which combines the previous work of the Money Advice Service, The Pension Advisory Service and Pension Wise (<https://www.moneyhelper.org.uk/en/money-troubles/scams>)

## 3.4 MEMBER OUTCOME CENTRED COMMUNICATIONS

Getting better outcomes for members are the central plank of the Regulator's strategy for better governance. This means trustees have to consider what knowledge members have of pensions and what TPR is demanding trustees publish in the form of prescribed annual Chair's Statement and ESG Implementation Statement and the scheme's Statement of Investment Principles.

### 3.4.1 Member Financial Education

There is an acute lack of knowledge of adults in how to plan to save for an income in retirement. A number of UK government, charity, industry and commercial company initiatives exist to help adults become more financially literate, and make better choices for saving with their pension. A professional communicator for a scheme should be aware of these free-to-use online resources; and work with trustees as to how make members aware of these.

These resources include:

- <https://www.moneyhelper.org.uk>: MaPS is an arm's-length government endorsed body by the DWP for financial education, debt and pensions advice that brings together the Money Advice Service ([www.moneyadviceservice.org.uk](http://www.moneyadviceservice.org.uk)), The Pensions Advisory Service ([www.pensionsadvisoryservice.org.uk](http://www.pensionsadvisoryservice.org.uk)) and Pension Wise ([www.pensionswise.gov.uk](http://www.pensionswise.gov.uk)).
- [www.oecd.org](http://www.oecd.org): pensions and financial education sponsored by the Organisation for Economic Co-operation and Development with an international outlook

### 3.4.2 Value for Members and DC Communications

As stated in 2.7 Member Engagement and Communication Planning, value for member evaluation requires that a sufficient level of communications is given to members in order for them to get the best outcome possible. This may mean spending on communications is more than the bare minimum. As there is no single approach to an assessment of value – trustees have develop their own policy which reflects the circumstances of the scheme and its members, use their judgement to determine what breadth, quality and frequency of communications are needed to offer good value.

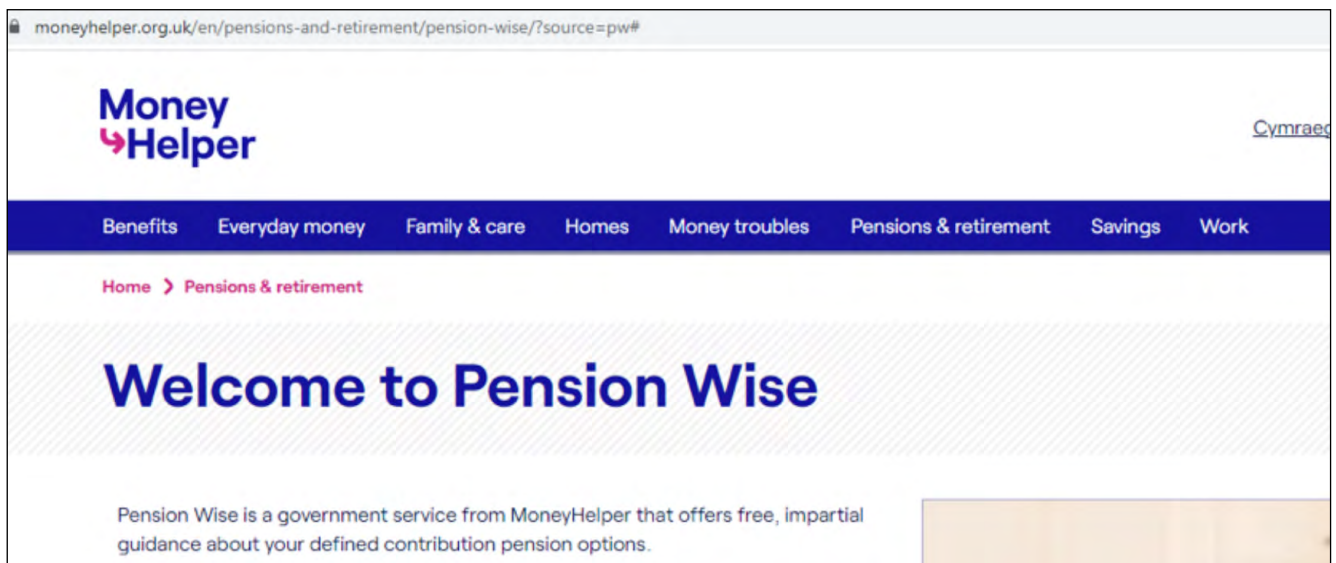
Extract from TPR guide 5 Value for members from code of practice 13 (<https://www.thepensionsregulator.gov.uk/en/trustees/managing-dc-benefits/5-value-for-members>)

#### Examples of value over the longer-term:

Scheme A provides online communications and tools for its members. Research indicates that the members who access these find them very helpful and use them a lot. However, currently only a small proportion of the overall membership uses them. The trustees of scheme A could consider whether further promotion of the services would make more members aware of them and encourage greater use over time. In these circumstances, the trustees could be justified in allowing time for the full value for members provided by the service to be realised.

### 3.4.3 TPR Communications Expectations at Retirement

As retirement often results in making an irreversible decision about what form of pension income to take, TPR expects good quality communications from the trustees to the member, so that the member achieves a good outcome. Members must be made aware of their retirement options at least four months before their expected retirement date. This includes telling members about Pension Wise, the government's free and impartial service that will help them understand their choices which is now part of the UK government Money Helper free service



moneyhelper.org.uk/en/pensions-and-retirement/pension-wise/?source=pw#

**Money Helper** Cymraeg

Benefits Everyday money Family & care Homes Money troubles Pensions & retirement Savings Work

Home > Pensions & retirement

## Welcome to Pension Wise

Pension Wise is a government service from MoneyHelper that offers free, impartial guidance about your defined contribution pension options.

Some employers still offer retirement workshops for its scheme members, though giving personal financial advice has legal restrictions around what advice can be given.

The DWP issued 'Stronger Nudge to Pension Guidance' regulations effective from 1 June 2022 following from the Money and Pensions Service (MaPS) work with the Behavioural Insights Team (previously known as the Nudge unit in 2010 that led to more behavioural science communications in pensions referred to in 3.3.2). Individuals accessing DC pension saving are to be given guidance and schemes must also offer to book a Pension Wise appointment for the individual.

### 3.5 DIVERSITY AND INCLUSION

Diversity and inclusion leads to more innovation and creativity in problem solving and better decisions and outcomes. TPR have a Diversity and Inclusion committee that will promote initiatives to strengthen the governance around a scheme's diversity and inclusion. Part of the accountability for this will require communications to have diversity and inclusion integral to the communication planning, delivery and engagement.

### 3.6. CHAIR'S STATEMENT, SIP AND ESG IMPLEMENTATION STATEMENT

Regulatory changes have made it compulsory for many schemes to issue online a Chair's Statement, Statement of Investment Principles (which sets out how trustees make strategic investment decisions), and an annual Implementation Statement which describes a scheme's voting and engagement behaviours and for DC/hybrid schemes also illustrates how their strategic aims have been enacted in practice. Although a regulatory requirement, these documents take on a member communication narrative as they are issued by the trustees for the benefit of members to read, understand, and raise questions if motivated to do so. This is expanding the member communication universe from beyond short, direct 'comms' to more detailed and prescribed content as trustees must account to members and the Regulator how well trustee governance requirements have been met.

Trustees of DC schemes must publish an annual governance statement signed by their Chair that provides a meaningful narrative of how, and the extent to which, scheme governance requirements have been complied with. TPR has fined some trustees for failing to meet the standard of disclosure TPR expected with fines ranging from £500 to £2,000. As a result of Regulator action, trustees are making the Chair statement lengthy in order to cover every area that is requested.

In addition, information in relation to investment charges and core transaction costs also must be made available online to members via the Chair's statement. All the information must be provided free of charge on a publicly accessible website.

The SIP is a long-standing document used by trustees to manage the scheme's investment strategy. The debate about whether this was necessary to be published too is over, and the scheme's SIP is published online with the annual report and accounts.

The Implementation Statement, introduced from October 2020, is now also part of the annual reporting requirement. Schemes must provide more details around how ESG (Environmental, Social and Governance) considerations impact their investment decisions, but also to improve trustees' investment decision making and governance more generally. The PLSA have provide a useful guide to Implementation Statements

**(<https://www.plsa.co.uk/Policy-and-Research/Document-library/Implementation-Statement-guidance-for-trustees>)**



The 2020 Implementation Statement requirements are just one part of the rapidly increasing expectations from policy makers, regulators and members for schemes to do more to demonstrate transparency, public accountability and good corporate governance. It also builds in more challenges for pension communicators because a comparison may be made to what the sponsoring company of the scheme can evidence as good ESG practice. The challenge for professional communicators is how to manage and monitor member engagement across the different communication channels as ESG practices and investment polices together with governance and personal outcomes for each member become an area of increased scrutiny by the Regulator, and legislation.

### 3.7. THE PENSIONS REGULATOR DRAFT NEW SINGLE CODE OF PRACTICE

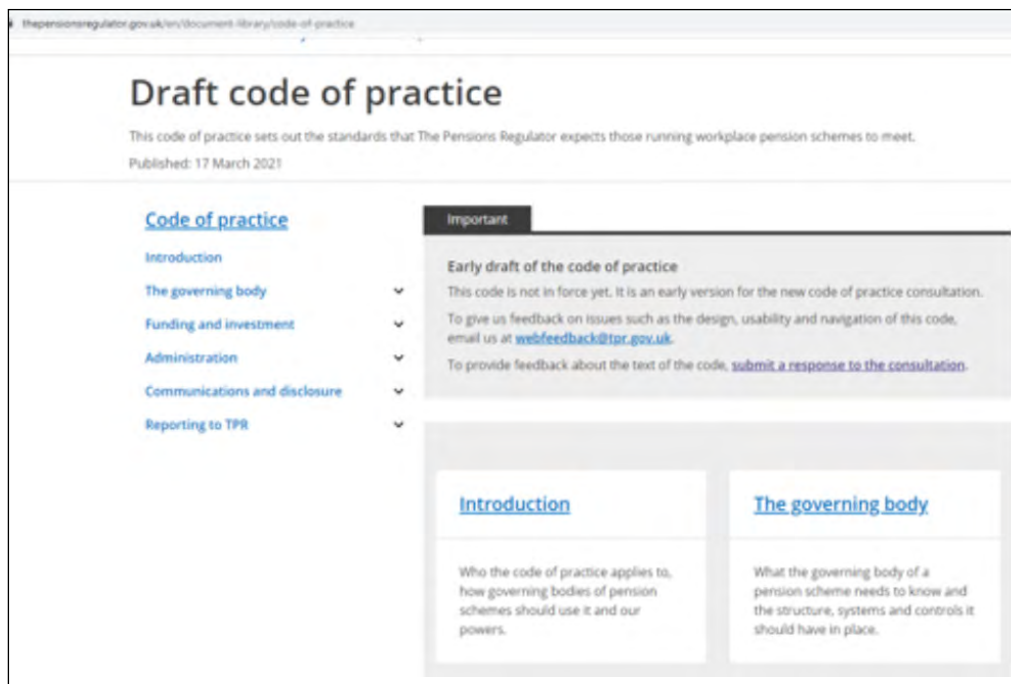
This draft new code of the TPR has an extensive section dedicated to good practice and requirements . Communications and disclosure from pages 113 to 148 covers the key areas the Regulator want pension professionals to get right for members.

<b>Contents: Communications and disclosure</b>	
<b>Information to members</b>	<b>page 113</b>
General principles for member communications (CAD001)	page 113
Statutory financial statements (DC) (CAD003)	page 115
Statutory financial statements (DB) (CAD011)	page 117
Statutory financial statements (PSPS) (CAD012)	page 119
Retirement risk warnings and guidance (CAD004)	page 121
Short service refunds (CAD016)	page 124
Chair's statement (CAD008)	page 126
Scams (CAD005)	page 128
<b>Public information</b>	<b>page 129</b>
Publishing information about public service pension schemes (CAD010)	page 129
Audit requirements (CAD014)	page 131
Dispute resolution procedures (CAD015)	page 133
<b>Contents: Reporting to TPR</b>	
<b>Regular reports</b>	<b>page 137</b>
Registrable information and scheme returns (RTT001)	page 137
<b>Whistleblowing - Reporting breaches of the law</b>	<b>page 139</b>
Who must report (RTT003)	page 139
Decision to report (RTT004)	page 142
How to report (RTT005)	page 146

TPR states on page 114 “When preparing communications to members, the governing body should:

- ensure that all communications sent to members are accurate, clear, concise, relevant and in plain English
- regularly review member communications, taking account of member feedback
- when deciding on the format of communications and information to be published, consider any technology that may be available to them and appropriate for their members
- consider using various communication methods, including accessible online content, audio, Braille, large font, and languages other than English
- regularly inform members of the impact their contributions will have on their overall benefits
- provide any additional information or explanation that members may need to help them make informed decisions about their benefits

Interestingly the new draft code published March 2021 is looking to replace, in its first phase, the 10 existing codes of practice into 51 shorter, topic-based modules and be primarily a web-based product <https://www.thepensionsregulator.gov.uk/en/document-library/code-of-practice> .



This approach has the ability to link through to other areas of good communications and governance TPR wants to remind readers of.

This web-info approach is in contrast to the static code documents used to date, although for readers TPR did make in pdf format the full draft of the new code itself <https://www.thepensionsregulator.gov.uk/-/media/thepensionsregulator/files/import/pdf/full-draft-new-code-of-practice.ashx>

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### Next steps

There are a tremendous amount of resources available to help you improve your communication skills. The internet can be a useful, free source of help, but it should be used with caution.

In particular:

- Beware sites that are US based – increasingly US English is different from UK English. It is all too easy to “Google” for the spelling of a word, and inadvertently pick up the American spelling.
- Remember that it is very easy for anyone to post items on the internet. Be sure of the credentials of the author. Going by the ‘wisdom of crowds’ may not give you the correct answer!

Otherwise, it can be worthwhile building up a reference library of your own.

Having at least some of the books listed below should really help you throughout your career. Although the language is changing over time (as you can see by the number of editions some of the books listed below have gone through), even the older editions (which are likely to be cheaper) can be handy, particularly in terms of grammar. You may find that your company has some of these books that you could borrow – or you might be able to persuade them to invest in them to help you and your colleagues!

# APPENDIX

## Further Reading

### GENERAL GRAMMAR, SPELLING, PUNCTUATION AND ENGLISH USAGE

#### **Standards that have passed the test of time**

##### *The Complete Plain Words*

Sir Ernest Gowers, revised by Sidney Greenbaum and Janet Whitcut (1986) 3rd Revised Edition, Penguin Books Ltd. Although written many years ago, this is still a very useful and readable guide. Well worth dipping into.

##### *New Fowler's Modern English Usage*

Henry W Fowler, RW Burchfield (2004) 3rd Re- Revised Edition, Oxford University Press A key text!

##### *Usage and Abusage*

Eric Partridge and Janet Whitcut (1999) 3rd Revised Edition, Penguin Books Ltd Another very useful reference book to have beside you.

#### **Newer guides that can be relied upon**

New Oxford Dictionary for Writers and Editors (2005), 1st edition, Oxford University Press A cut-down dictionary of particularly troublesome words. Useful for reference.

##### *Good Word Guide, M Manser (2011) 7th revised edition, A&C Black Publishers Ltd*

A useful and thorough guide, both in terms of language and grammar.

Oxford Guide to Plain English, M Cutts (2013) 4th edition, Oxford University Press

*An indispensable guide to Plain English.*

#### **A lighter read**

Eats, Shoots and Leaves, L Truss (2009), Fourth Estate

To remind you why correct punctuation really does matter

#### **Also useful**

A style guide such as those produced by the Financial Times and the Economist. A quality dictionary such as the Concise Oxford Dictionary

#### **Business Writing**

Writing at Work: A Quick and Easy Guide to Grammar and Effective Business Writing E Morgan (2011)

Dormouse Press

A useful book to have in your office drawer.

*Writing a Report, J Bowden (2011) 9th edition, How To Books*

All you ever wanted to know about report writing!

#### **FCA and TPR Regulatory concerns and supporting members**

*Regulating the pensions and retirement income sector: our joint regulatory strategy (October 2018)*

### **Useful Websites**

*[www.plainenglish.co.uk](http://www.plainenglish.co.uk)*

Particularly useful for free guides to Plain English terms.

*[www.clearest.co.uk](http://www.clearest.co.uk)*

The site of the Plain Language Commission, an alternative to the Plain English Campaign

*[www.presentationmagazine.com](http://www.presentationmagazine.com)*

An American site, but it contains some sensible help and tips on presentations.