# THE EMPLOYER'S GUIDE TO FINANCIAL WELLBEING

## 2019-20

SALARY FINANCE

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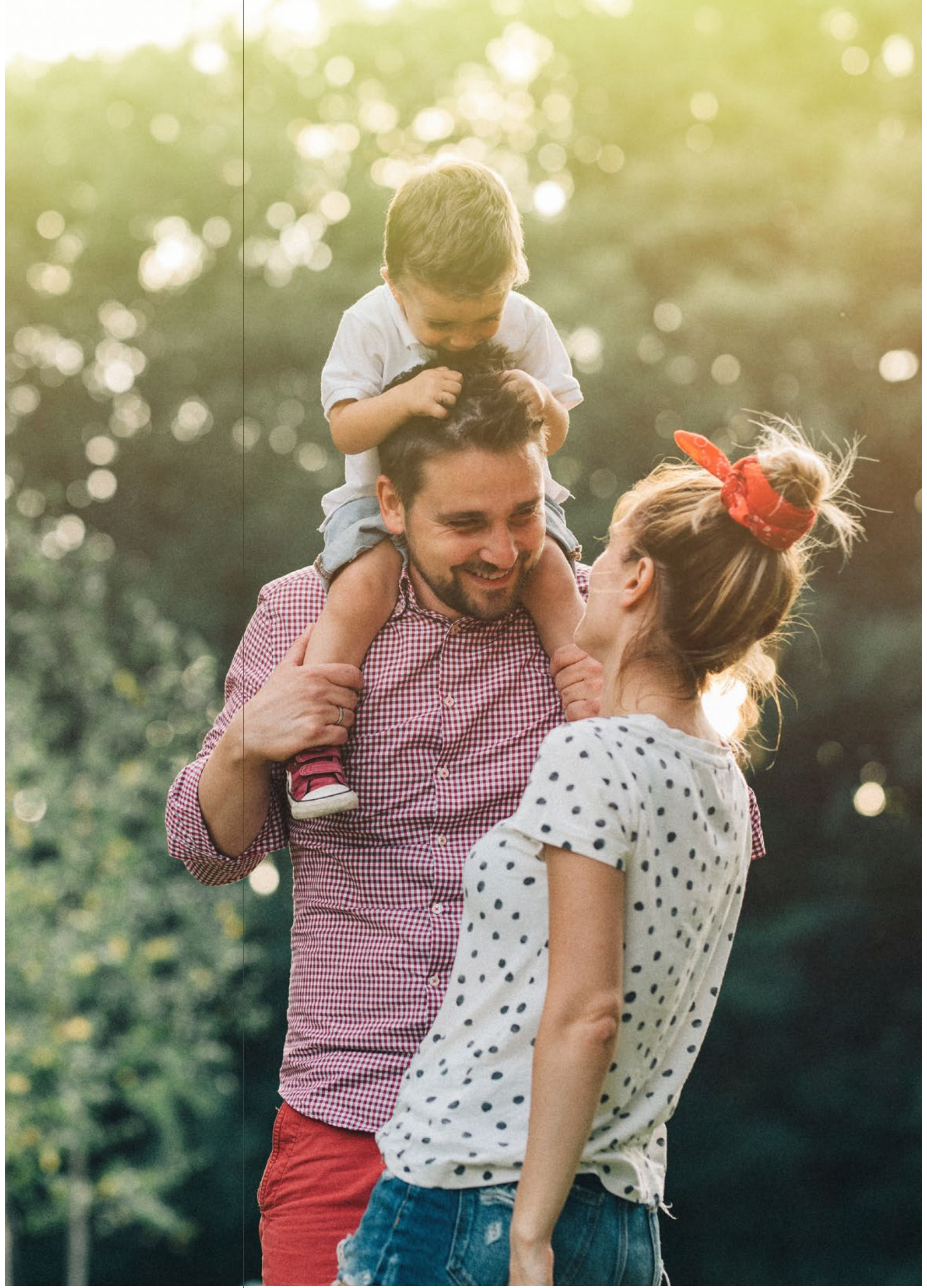
# EXECUTIVE SUMMARY

This is our second annual survey of UK employees. The key findings on how many employees have financial worries, the mental health consequences and the impact on employers remains broadly the same as in 2018. There continues to be compelling reasons for employers to have financial wellbeing as a central part of their business and HR strategy, as it is having a significant impact on productivity, quality, absenteeism and retention.

36% of UK employees have financial worries. They are 14.6 times more likely to have sleepless nights, 12.4 times more likely not to finish daily tasks, 7.7 times more likely to have troubled relationships with work colleagues and 1.5 times more likely to be looking for a job. This same group is more likely to suffer from poor mental health, they are 4.6 times more likely to be depressed and 4.1 times more likely to be prone to panic attacks.

Employees largely fall into one of two groups. One group, 'Planners' (40% of employees) find it relatively easy to save first and spend later, and are engaged and interested in personal finance. The other group, 'Copers' (28% of employees), tends to spend first and save whenever they can, which is not very often. Copers also tend to find it difficult to talk openly about money and discuss their financial situation with others. Copers tend to have more financial worries than Planners - 62% of Copers versus 21% of Planners.



Historically, the majority of financial employee benefits have focussed on the needs of Planners, with relatively little for the needs of the Copers. Ironically, it's the Copers that need the most assistance and where employers are likely to see the greatest positive impact of any initiatives that they may embark on.

To help employers get started in developing their own financial wellbeing strategy, or refine one they already have in place, we have identified six essential steps to implement an effective financial wellbeing programme:

1. Build a robust business case that talks in the language of your C-Suite and Board
2. Focus on progress not perfection to help employees with the greatest need
3. Understand your employees to determine which financial wellbeing solutions will have the greatest impact
4. Forge a positive company culture based on removing taboos around money
5. Create communication strategies that will deliver the greatest engagement and long-term value
6. Measure the impact of your programme to refine what you are doing and demonstrate impact

## THIS GUIDE IS STRUCTURED IN FOUR PARTS

### Part 1: Impact

We share the results of our latest survey on the level of financial worries amongst UK employees and the impact of poor financial wellbeing on both employees and employers. We introduce the concept of the Financial Fitness Score and how this can be used by employers to better understand the needs of their workforce and select the most appropriate benefits.

### Part 2: Behaviours

We examine borrowing, saving and spending habits of employees. We then drill down on attitudes towards budgeting. More importantly, we explore the role and relative importance of financial education and motivation in changing people's money behaviours.

### Part 3: Relationships

We explore the role of the employer in improving the financial wellbeing of their employees. We examine the attitudes of employees to their employer and the implications for considering how best to implement any new financial wellbeing benefits. We also examine in further detail the gap between what employees want and what employers are offering.

### Part 4: Implementation

We outline the six key steps needed to implement a financial wellbeing strategy.

# 01

# THE IMPACT OF POOR FINANCIAL WELLBEING

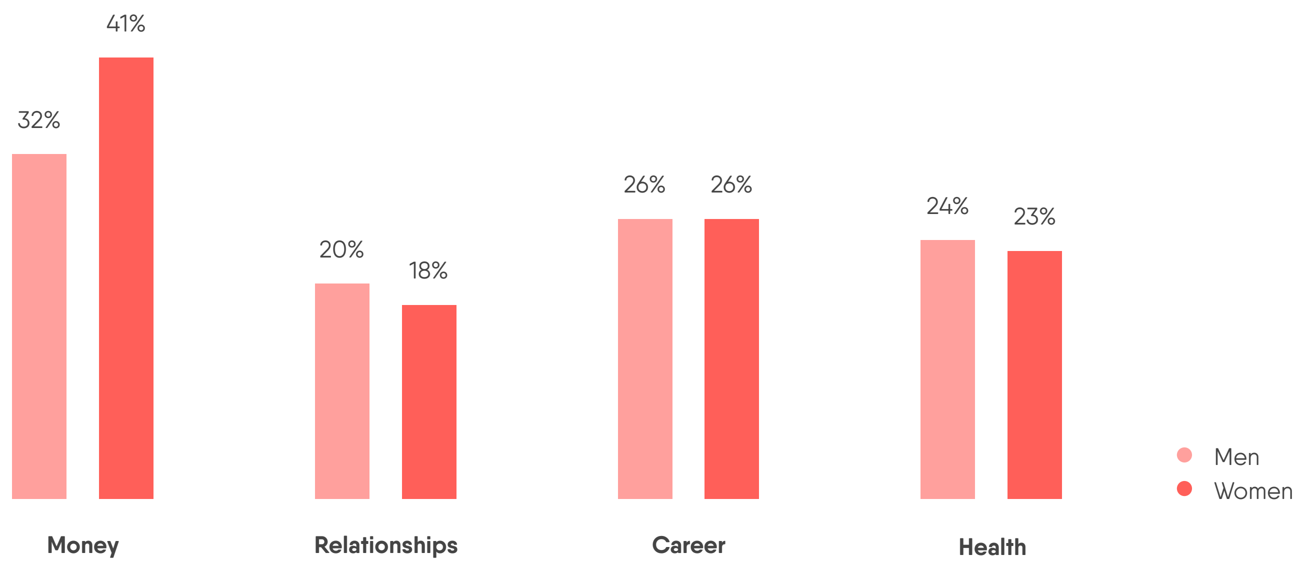
# WE ARE MORE STRESSED BY MONEY THAN ANY OTHER AREA OF LIFE

We all worry about our relationships, careers, money and health at some point in our lives to a greater or lesser extent. However, there are two factors which make worries about money different from worries about other parts of our lives.

The first is that money worries are significantly greater than stress about other areas of life. Day-to-day we feel worries about money more acutely than other areas of our life. Money doesn't make the world go round but financial difficulties can make it feel like the world is crumbling around us.

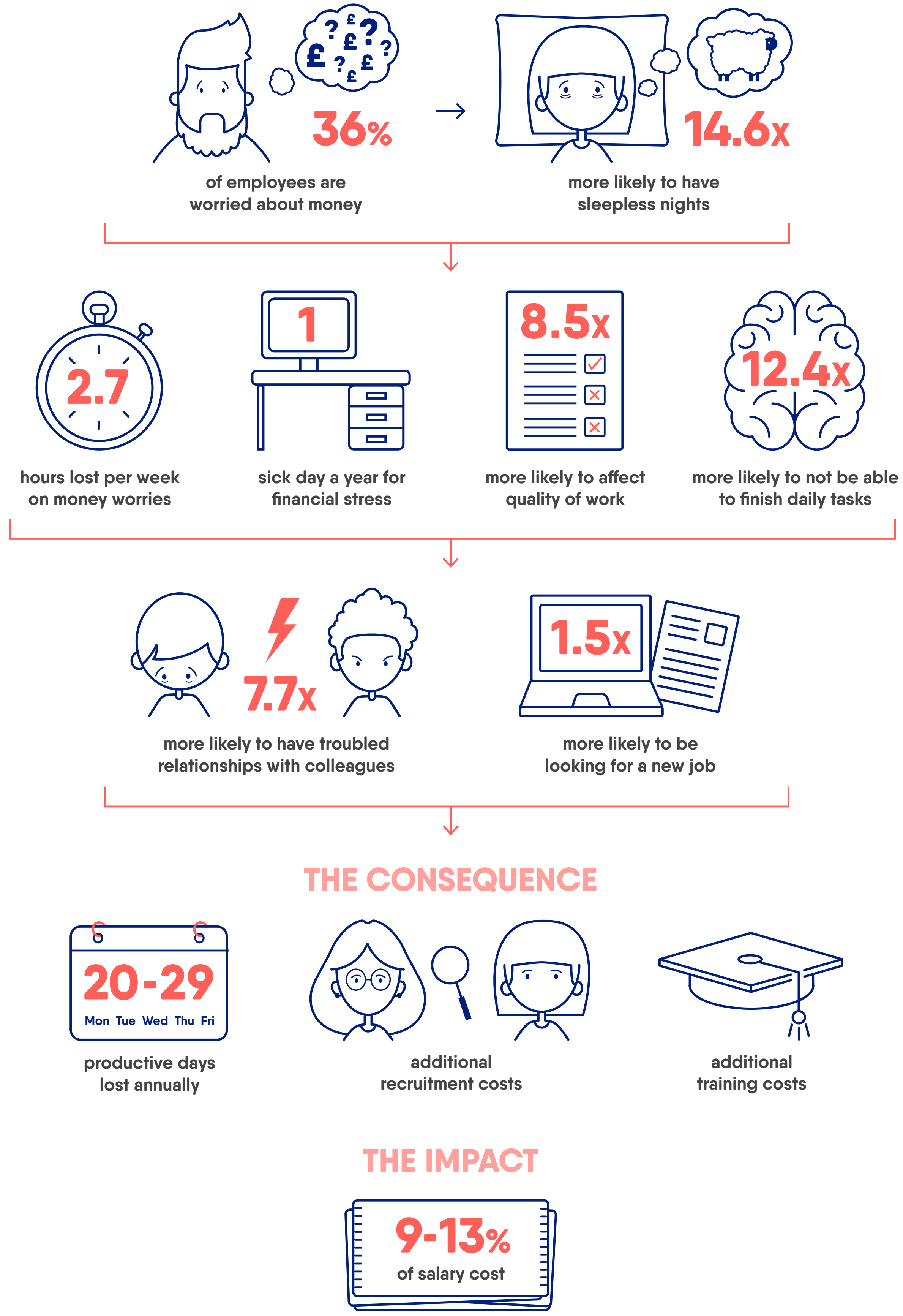
Secondly, there is a significant difference between the degree of worry between men and women. Whereas there are no statistically significant differences between men and women in other areas of life.

## Worries by areas of life



# THE COST OF POOR FINANCIAL WELLBEING

On average 36% of UK employees have financial worries at similar levels to last year's findings of 40%. The financial consequence for employers is estimated to be 9-13% of payroll.




The business cost impact is based on a Harvard Kennedy School study[1] on the benefits of salary-linked financial solutions to reduce absenteeism and increase retention. It's a combination of days and hours lost, daily tasks not completed and the incremental recruitment and staff training costs due to lower retention. The average annual UK salary cost per employee to employers is approximately £30,000 per annum. 9% to 13% of that number is £2,700 to £3,900 per annum. Therefore for every 1,000 employees, the impact on the business is £2.7 million to £3.9 million per annum: Minimum impact = Total Payroll (£30,000 x 1,000) x 9% = £2.7million, maximum impact = Total Payroll (£30,000 x 1,000) x 13% = £3.9million.

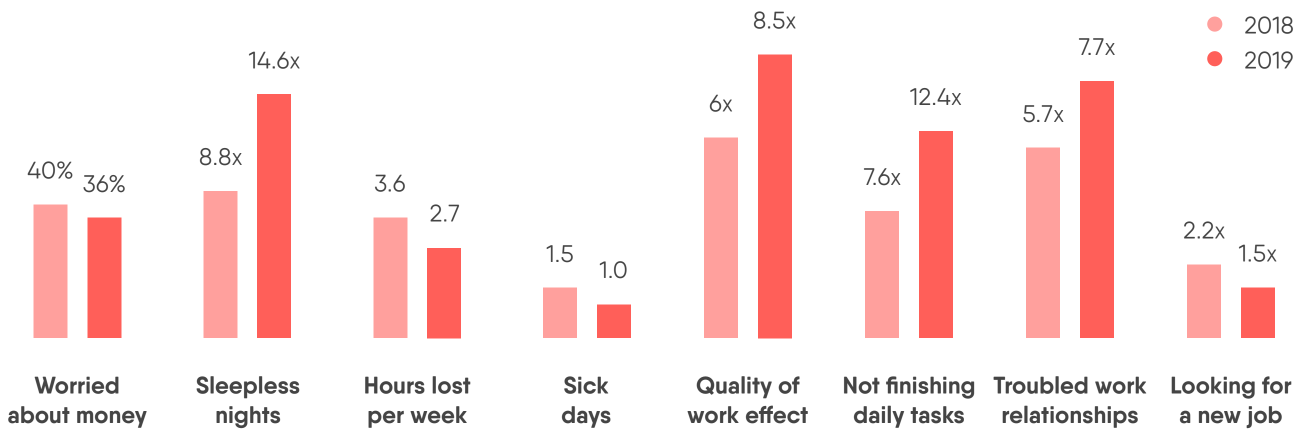
[1] Power of salary link, Todd Baker and Snigdha Kumar, Harvard Kennedy School, May 2018. https://www.hks.harvard.edu/sites/default/files/centers/mrcbg/working.papers/88_final.pdf

The findings are similar to those in our 2018 survey. There has been a slight decrease in the number of employees who have financial worries but it is not statistically significant (i.e. we can conclude that there is no real change).

There is, however, a marked difference on the impact of financial worries. Those that do have financial worries have more problems with sleepless nights, concentrating on work (both in terms of quality of work and completing daily tasks) and with relationships with colleagues.

It's interesting that this doesn't seem to have increased the likelihood of them looking for a new job. For the employer it means that those that are worried and stressed are more likely to continue in their present role performing poorly. This is not good news for employers.

## The impact of poor financial wellbeing: 2018 vs 2019



# FINANCIAL WELLBEING SIGNIFICANTLY IMPACTS MENTAL HEALTH

There is a very strong link between mental health and financial worries. In last year's study we confirmed the presence of this link, and this year's research further demonstrates the impact financial worries can have on mental health.

We asked to what extent people agreed/disagreed with the following two statements:

- I feel anxious and am prone to panic attacks
- I feel depressed and find it difficult to carry on with life

Those with financial worries are 4.1 times more likely to be suffering from anxiety and panic attacks, and 4.6 times more likely to be suffering from depression.

Most organisations already have benefits, plans and processes that deal with career, physical health (e.g. gym membership), and mental health.

It's not clear when considering mental health and the ability to manage money which is cause and which is effect. What is clear from the data is that financial wellbeing is a huge issue for employees, and it has a close relationship with mental health.

An organisation that has a mental wellbeing strategy without a financial one alongside it is potentially driving along with the foot on the accelerator and the brake pedal simultaneously.

**Those with financial worries are:**

**4.1x**

**more likely to be suffering from anxiety**

**4.6x**

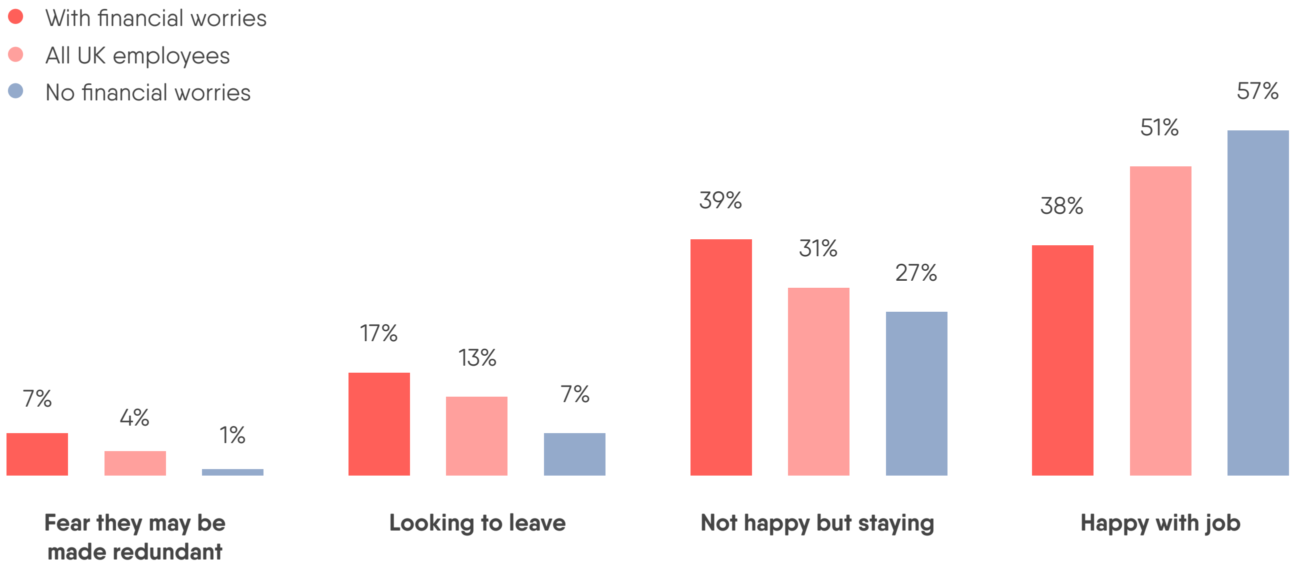
**more likely to be suffering from depression**

# A DEEPER LOOK AT ABSENTEEISM, PRODUCTIVITY, ENGAGEMENT & RETENTION

In this section we take a deeper look at the consequences for absenteeism, presenteeism and retention on the employer.

This can help provide support for launching a financial wellbeing programme by framing it in terms that are measurable and, crucially, that are already recognised by senior stakeholders.

## Money worries and job satisfaction




## Absenteeism

We saw earlier that those with money worries take, on average, one sick day per year to deal with financial issues. One day on it's own doesn't seem like much but once we consider an entire workforce the cost in lost working days can build up quickly. We know 36% of employees have financial worries, or 360 people out of every 1,000 employees.

If each of those employees takes an additional sick day a year due to financial stress then absenteeism related to poor financial wellbeing is costing employers 360 lost days per year, the equivalent of 30 lost days each month per 1,000 employees.

## Presenteeism and productivity

We also saw that employees with money worries spend 2.7 working hours per week dealing with personal money issues vs 1 hour for those without financial worries.

This means money issues are at the root of an additional 1.7 hours per week of lost productivity for those that are stressed about money. Spread out across an entire year, employees with financial worries are losing the equivalent of 10 working days a year due to their financial issues.

**30**

**lost days per month per 1,000 employees due to absenteeism**

## Engagement and retention

Those with money worries are 1.5 times more likely to be looking for another job but the issues related to engagement and retention are deeper than just those wanting to leave their current employer. It is also the case that employees suffering from financial stress are:

- 1.4 times more likely to be unhappy in their current role but are planning to stay
- 1.5 times less likely to be happy with their job

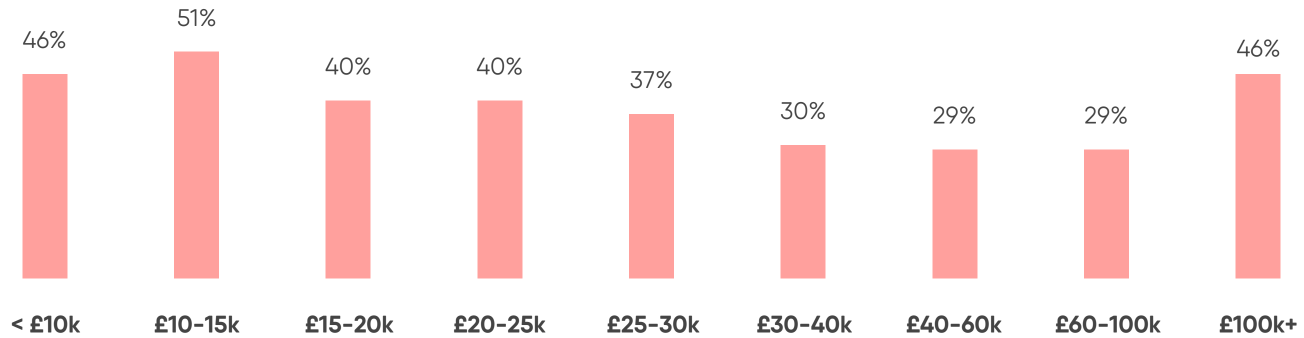
# MONEY WORRIES ARE NOT ALL ABOUT PAY

It is a common misconception that financial wellbeing is purely about pay. Many organisations we speak to want to avoid the topic of financial wellbeing as they can't afford to give pay rises. However, financial worries are not just a function of income.

It's true that the highest level of financial worries are with low earners. It's also true that as income goes up, money worries generally go down. But even at the lowest point, almost one third of those earning between £40-60k still have money worries.

Finally we see those that earn over £100k per annum have the same level of financial worries as those that earn less than £10k. Financial worry is not necessarily eliminated by pay rises.

## High income doesn't always mean less money worries



# STRESS & FEELING IN CONTROL

There are many potential causes of financial stress - struggling with debt is the most obvious example. However, there is a growing body of evidence that many people simply find sticking to a budget throughout the month to be a challenge, and that this is keeping them in a cycle of short-term, expensive debt.

The average employee is forced to use payday loans, credit cards or overdrafts to get them through to payday for 4 out of every 12 months[2]. This is supported by our own data which found that 29% of people regularly run out of money before payday.

A continual sense of almost running out of money creates a reduced sense of control and has a negative impact on financial wellbeing. We found that regularly running out of money was strongly correlated to money worries. What was most interesting is that this was true across all salary bands demonstrating again that higher pay does not protect people from lower financial wellbeing. It's not the amount you get paid, but what you do with it, that determines your level of financial wellbeing.

Clearly, there is a large group of people struggling to control their spending between paydays. To understand why this is in more detail, we developed a Financial Fitness Score as a diagnostic to measure an individual's level of financial wellbeing.

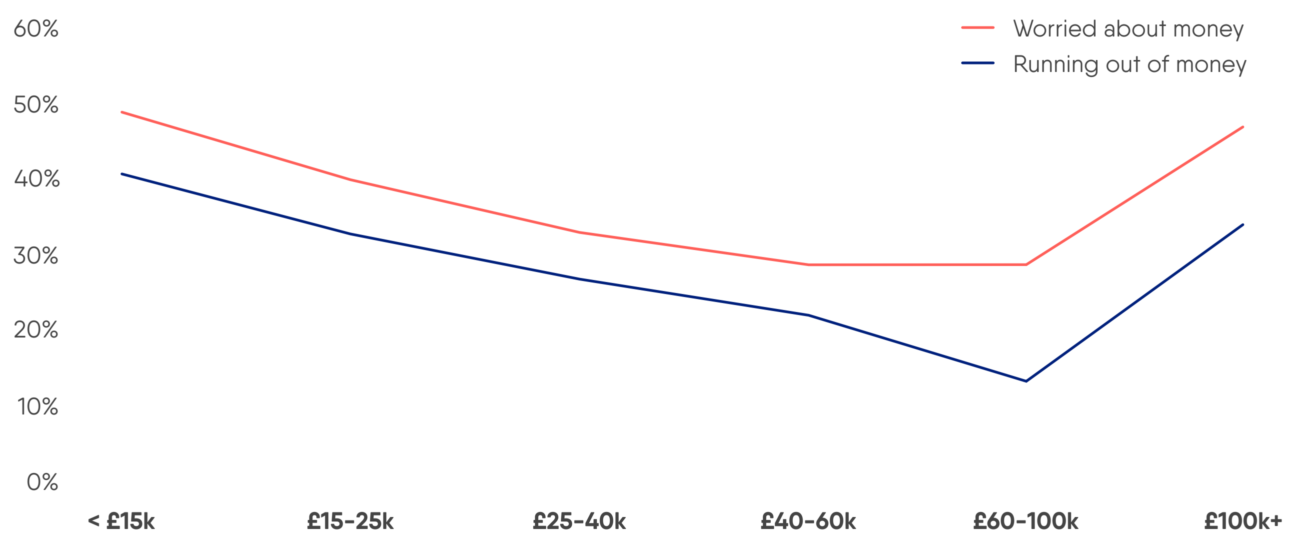
[2] https://www.independent.co.uk/news/uk/home-news/britons-financial-struggle-stress-short-money-credit-cards-overdraft-onepoll-a8317966.html



**29%**

**of people regularly run out of money before payday**

## Running out of money is linked to money worries



# THE FINANCIAL FITNESS SCORE

The Financial Fitness Score is based on the responses to 10 questions about behaviours and habits in relation to spending, saving and borrowing. From these 10 questions, we derive a Financial Fitness Score from 1 to 5 for any individual. We found that 89% of employees scoring a 1 worry about their money, while only 6% of employees scoring 5 worry about money. The higher an individual's Financial Fitness Score, the greater their overall level of financial wellbeing.

One would expect that the Financial Fitness Score would follow a normal distribution, as is the case for salaries and income level. However, what we see in the survey results is a bi-modal distribution where there are two peaks, one at 2 (Copers - 28% of employees) and one at 4 (Planners - 40% of employees). The mix of fitness scores amongst employees has not changed significantly from our 2018 survey results.

A bi-modal distribution indicates that we do not have a single population, but two distinct populations superimposed. When it comes to dealing with personal finances, there is a population of natural Copers and there is a population of natural Planners.

A Planner, tends to save first and then spend, whereas a Coper tends to spend first and save what is left over.



## THE FIVE LEVELS OF FINANCIAL FITNESS

### 1. Strugglers

Often run out of money before pay day.

### 2. Copers

Have virtually no savings and don't have enough to spend on life's little luxuries (e.g. a new pair of trainers, an evening out etc.) without feeling guilty.

### 3. Builders

Have some savings but less than three months, so don't have sufficient resilience to deal with life's unexpected expenses (e.g. a new boiler, vet bill etc.)

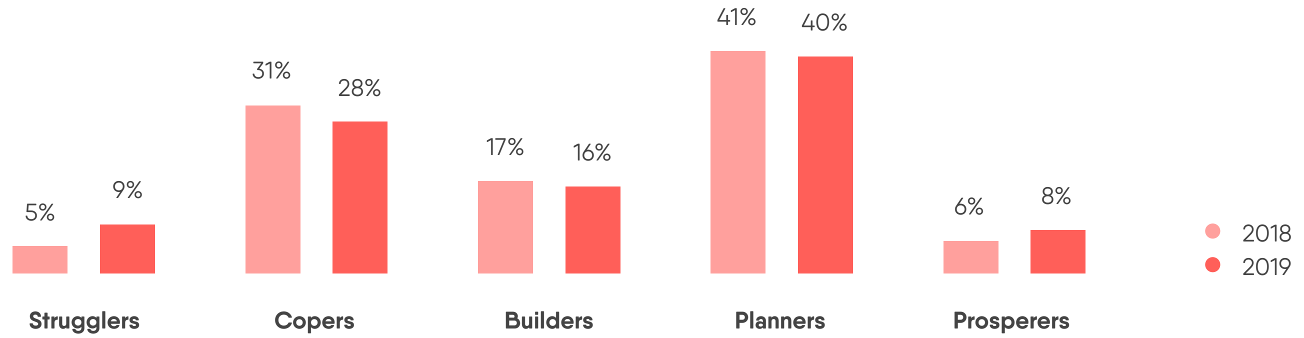
### 4. Planners

Have more than three months of savings to cope with an unexpected expense and a plan in place to achieve long term financial goals.

### 5. Prosperers

Finances are not a constraint to living the life they want.

## A tale of two worlds: Copers and Planners



## COPERS IN NUMBERS

**62%** are worried about money

**37%** are depressed

**41%** are anxious

**82%** know and understand the importance of saving

**31%** are not saving anything each month

**58%** run out of money before payday

**27** days until they need to borrow

**34%** have been refused a loan

**£818** in savings and current accounts

**£8,029** average amount of unsecured debt

**46%** want to get themselves out of debt

**48%** want to get better at saving



## PLANNERS IN NUMBERS

**19%** are worried about money

**11%** are depressed

**16%** are anxious

**86%** know and understand the importance of saving

**7%** are not saving anything each month

**8%** run out of money before payday

**80** days until they need to borrow

**8%** have been refused a loan

**£6,651** in savings and current accounts

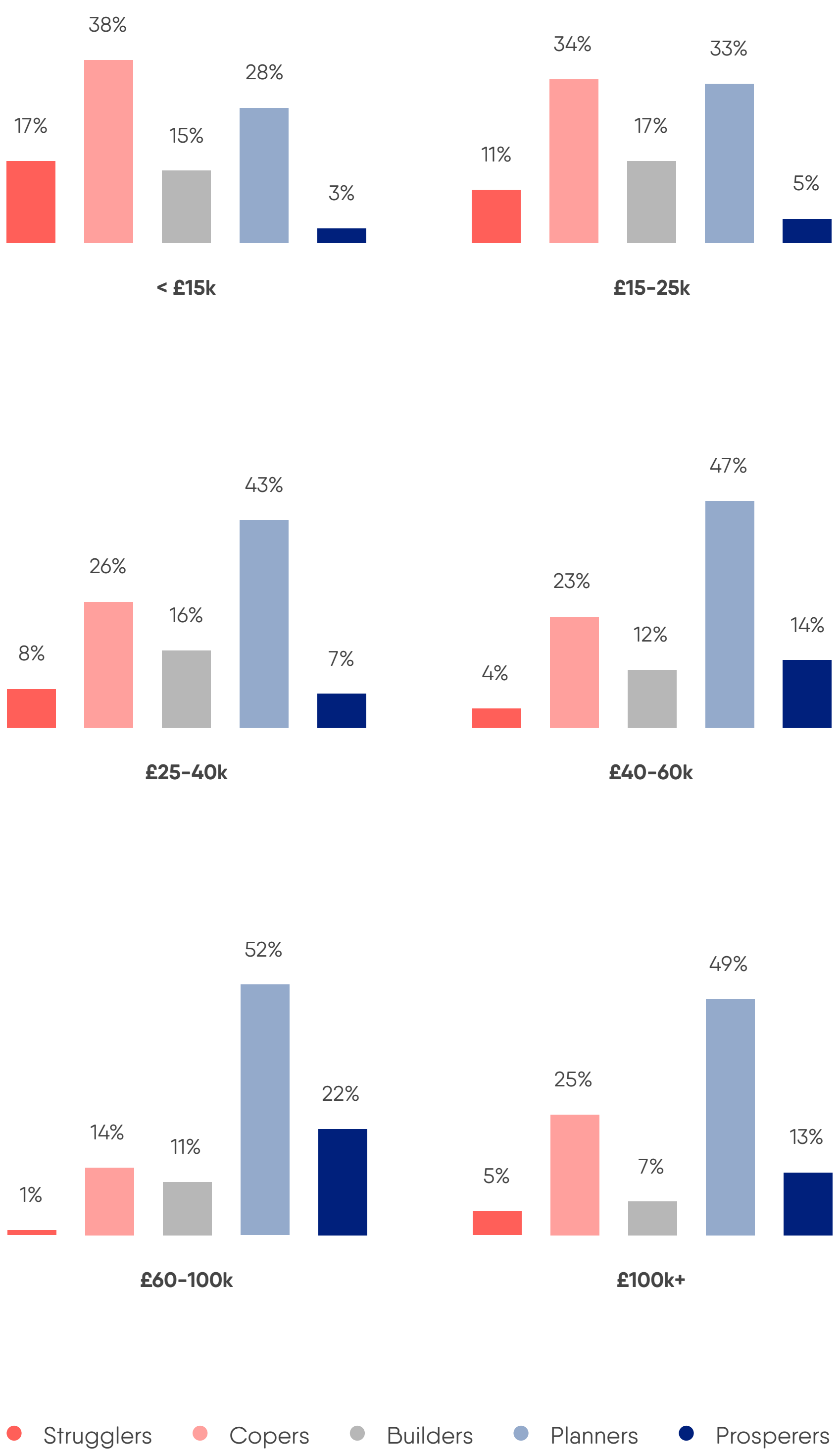
**£6,355** average amount of unsecured debt

**15%** want to get themselves out of debt

**29%** want to get better at saving

## FINANCIAL FITNESS SCORE & SALARY

Looking at the Financial Fitness Score through the lens of salary further supports the idea that high pay alone doesn't protect employees from financial worries. Yes, it is easier to have high financial wellbeing if you have a higher salary, but more income doesn't eliminate poor financial wellbeing.




# 02

# BEHAVIOURS & NEEDS OF PLANNERS & COPERS

# RUNNING OUT OF MONEY

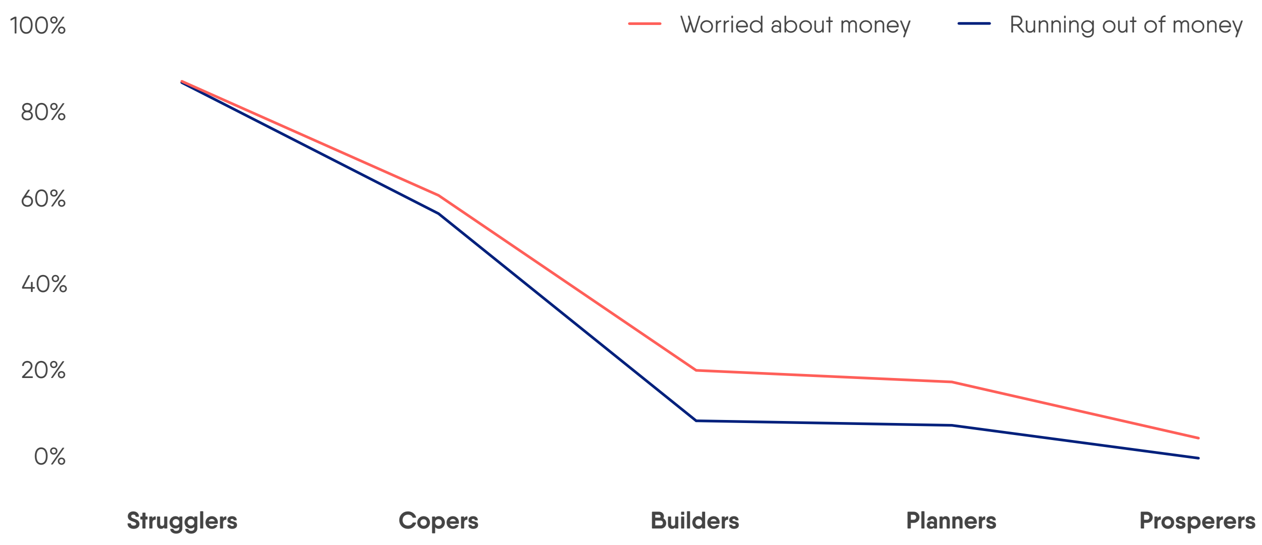
The correlation between running out of money and money worries is even more stark when viewed in the context of the Financial Fitness Score.

This is quite shocking when you consider that 37% of the UK workforce are likely to be Strugglers or Copers. It also highlights the beneficial role that employers could play in helping their employees improve their financial wellbeing.

But why is this happening? What lies behind the habits and behaviours that result in a large proportion of people regularly running out of money and suffering additional stress as a result?

In the following sections we will look in more detail at saving and borrowing habits, attitudes to planning and budgeting and UK employees' aspirations for improving their financial wellbeing.

### Money worries are largely due to the likelihood of money running out



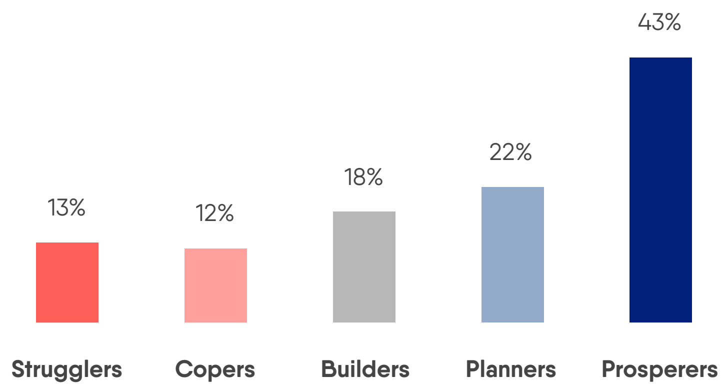
# SAVING HABITS

There are three elements to savings: regularity, the amount you save, and the total level of savings. Critically, it is the total level of savings that really matters. Low levels of savings leave people vulnerable to life's unexpected events. Those with low levels of financial wellbeing live perilously close to financial difficulty with both Strugglers and Copers stating that they would need to resort to borrowing within a month if they were to lose their income.

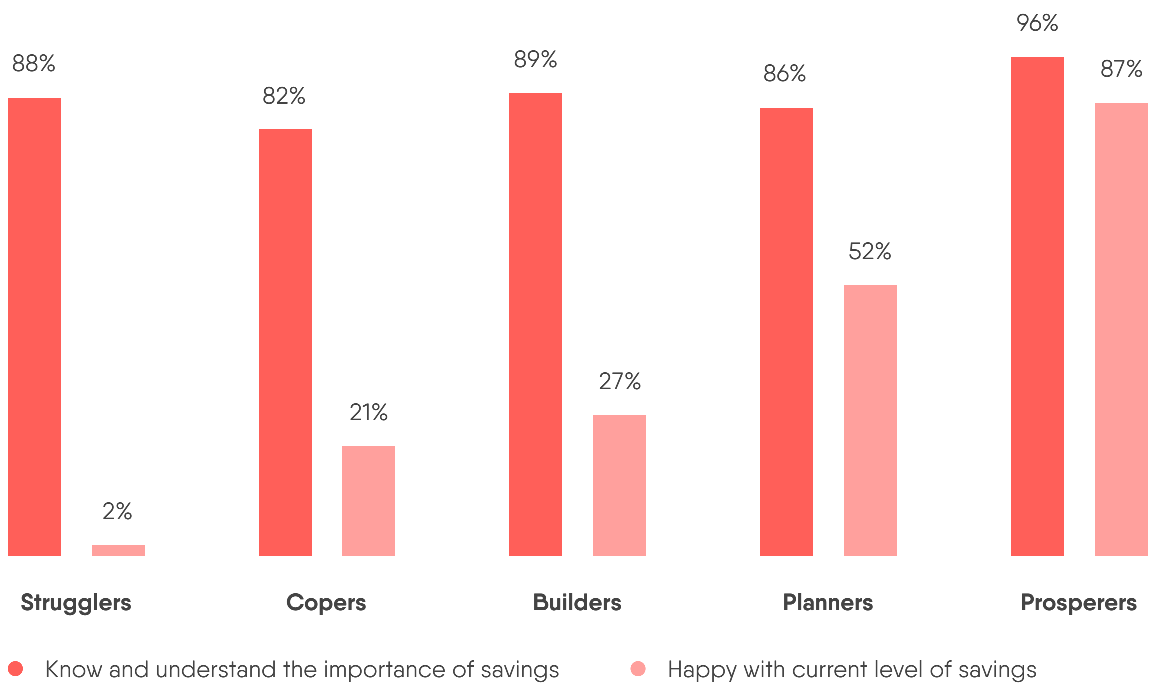
One insight that came from looking at savings behaviour was how different those with the highest financial wellbeing are from the other groups. The best example of this were responses to a question about the timeframe they think about when planning their savings. Prosperers are thinking much longer-term than the other group with high levels of financial wellbeing, the Planners.

A surprising discovery was that, despite the actual savings behaviour, the importance of saving is universally understood by all employees. We also found, perhaps unsurprisingly, that those with the lowest financial wellbeing are also those who are least happy with their levels of savings.

## Saving more than five years ahead




## Understanding and attitudes towards saving




| | Strugglers | Copers | Builders | Planners | Prosperers |
|---|---|---|---|---|---|
| **Number of days they could live before they had to borrow** | 4 | 27 | 68 | 80 | 138 |
| **Average amount saved a month** | £22 | £91 | £182 | £249 | £488 |
| **% who save nothing each month** | 70% | 31% | 11% | 7% | 1% |
| **Average savings** | £246 | £818 | £4,815 | £6,651 | £50,380 |
| **% who have less than £500 in their current and savings accounts** | 86% | 50% | 14% | 10% | 1% |

# BORROWING HABITS

Similar analysis of borrowing habits identified some key characteristics of those with lower financial wellbeing:

- A much higher use of payday loans
- A history of missing payments
- High levels of credit card debt are carried from month to month
- Much higher likelihood of being refused a loan

These characteristics are important as the borrowing history of Strugglers and Copers has a huge impact on their future ability to borrow. This makes them more likely to get into, or get deeper into, a circle of crippling debt as they are unable to make up for shortfalls in their savings if they are faced with a financial emergency.

| | Strugglers | Copers | Builders | Planners | Prosperers |
|---|---|---|---|---|---|
| **Amount on credit cards carried forward** | £3,017 | £2,633 | £833 | £929 | £1,721 |
| **% with outstanding payday loans** | 17% | 13% | 2% | 3% | 0% |
| **Total amount: credit card, payday loans, family and retail store cards** | £6,285 | £8,029 | £2,764 | £6,355 | £4,946 |
| **% refused a loan** | 54% | 34% | 9% | 8% | 2% |
| **Ever missed a payment** | 44% | 28% | 10% | 7% | 4% |
| **Missed payment on rent/ utility** | 35% | 24% | 5% | 4% | 2% |

# ATTITUDES TO BUDGETING & PLANNING

Our analysis of attitudes to budgeting found that people are fairly consistent in setting budgets regardless of their level of financial wellbeing. It is a very common misconception that those who have low financial wellbeing don't know how to budget, and if they only knew how to budget the problem would be solved. This is simply not true – less than 5% of Copers and Strugglers don't know how to budget. It is not the setting of a budget that is the issue but sticking to it. So, it's not primarily about education but about behaviours. This is further supported by the fact that a larger amount of people with higher financial wellbeing are able to budget based on instinct, rather than a defined plan.

| | Strugglers | Copers | Builders | Planners | Prosperers |
|---|---|---|---|---|---|
| **I don't have a budget because I don't know how to create one** | 5% | 5% | 1% | 4% | 0% |
| **I don't have a budget because I wouldn't stick to it** | 14% | 10% | 5% | 2% | 1% |
| **I don't think about budgeting** | 5% | 4% | 4% | 4% | 9% |
| **I have a budget which serves as a rough guide, but I don't follow it religiously** | 43% | 46% | 47% | 42% | 29% |
| **I have a budget which I stick to** | 25% | 20% | 19% | 25% | 31% |
| **I know how to spend within my means without a formal budget** | 7% | 16% | 24% | 24% | 31% |

# EMPLOYEES' FINANCIAL PRIORITIES

Understanding the elements of personal finances that employees would most like to improve presented some of the greatest insight from this year's survey.

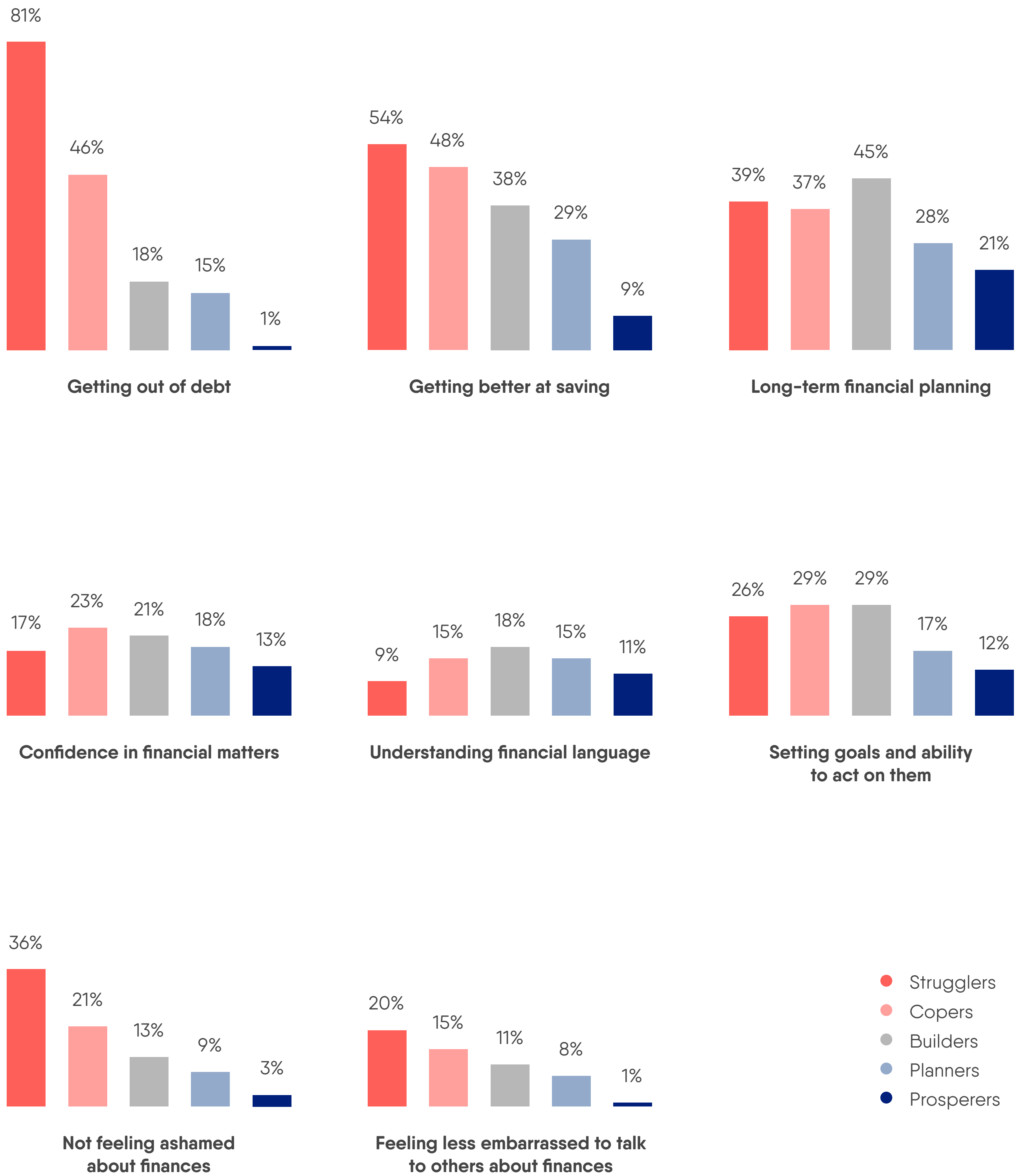
1. Those with low financial wellbeing have strong aspirations to improve their financial situation. They know what they need to do

2. They feel high levels of shame and embarrassment about their finances. They need help but are less likely to ask for it

We see that people with low financial wellbeing prioritise getting out of debt above everything else. We also see that it is not true that they have no motivation to save.

This is positive news for HR leaders who are developing financial wellbeing strategies for their employees. It suggests that the core knowledge about good financial habits is already in place, as well as the intent to improve their financial situation. So, if knowledge isn't the problem, what is it?

## What employees would like to improve by fitness score



# LIFE EVENTS & CAREER BREAKS

Our research suggests that those with lower financial wellbeing, natural Copers, are more at risk when significant life events occur. Looking specifically at maternity and paternity leave, we found that:

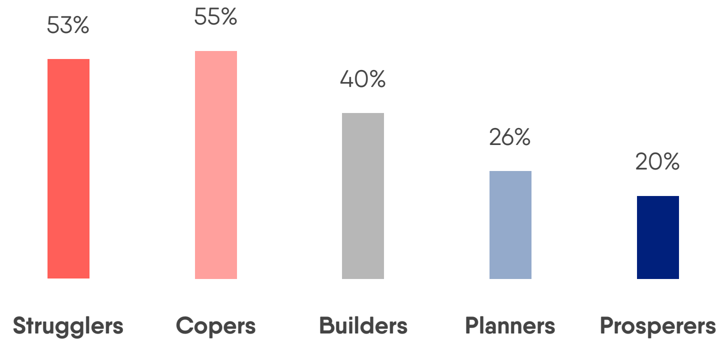
- 67% did not continue their pension contributions
- 40% struggled to pay bills
- 29% took on additional debt

Each of these would inevitably affect financial wellbeing and all were most prevalent with Strugglers and Copers.

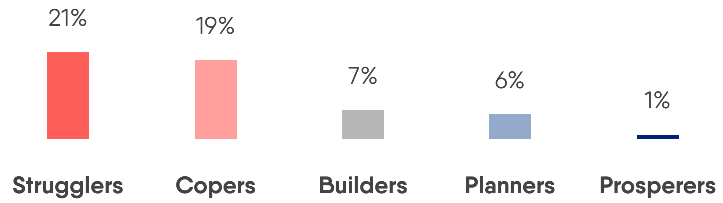
This suggests that this could be an important consideration for HR teams when planning return to work programmes to ensure that the workplace is inclusive and welcoming for new parents. They are highly likely to have disturbed sleep due to newborn babies, financial worries will only amplify the problem with sleepless nights and resultant mental stress. We also discovered that financial stress can increase for parents after they return to work, with a large amount of people stating that childcare costs are a source of stress.

This suggests that the widespread offering of childcare vouchers is hugely beneficial to many people. However, it also suggests that, in addition to the well recognised stresses of working parents, it is possible that they are experiencing high levels of financial worry. It is also likely that they will feel this more acutely as they will be concerned about providing for their children.

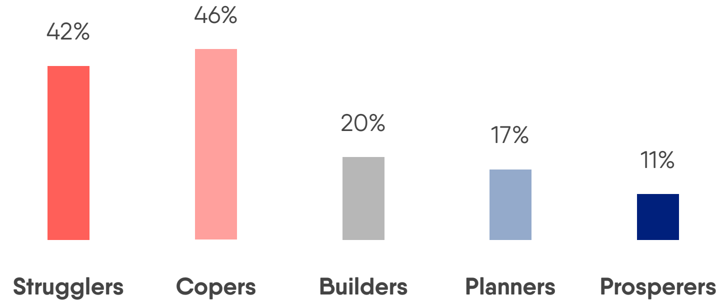
## Did maternity/ paternity leave impact your ability to pay your bills?




## When thinking about childcare costs I am worried and stressed




## Did you take on additional debt as a result of your maternity/ paternity leave?

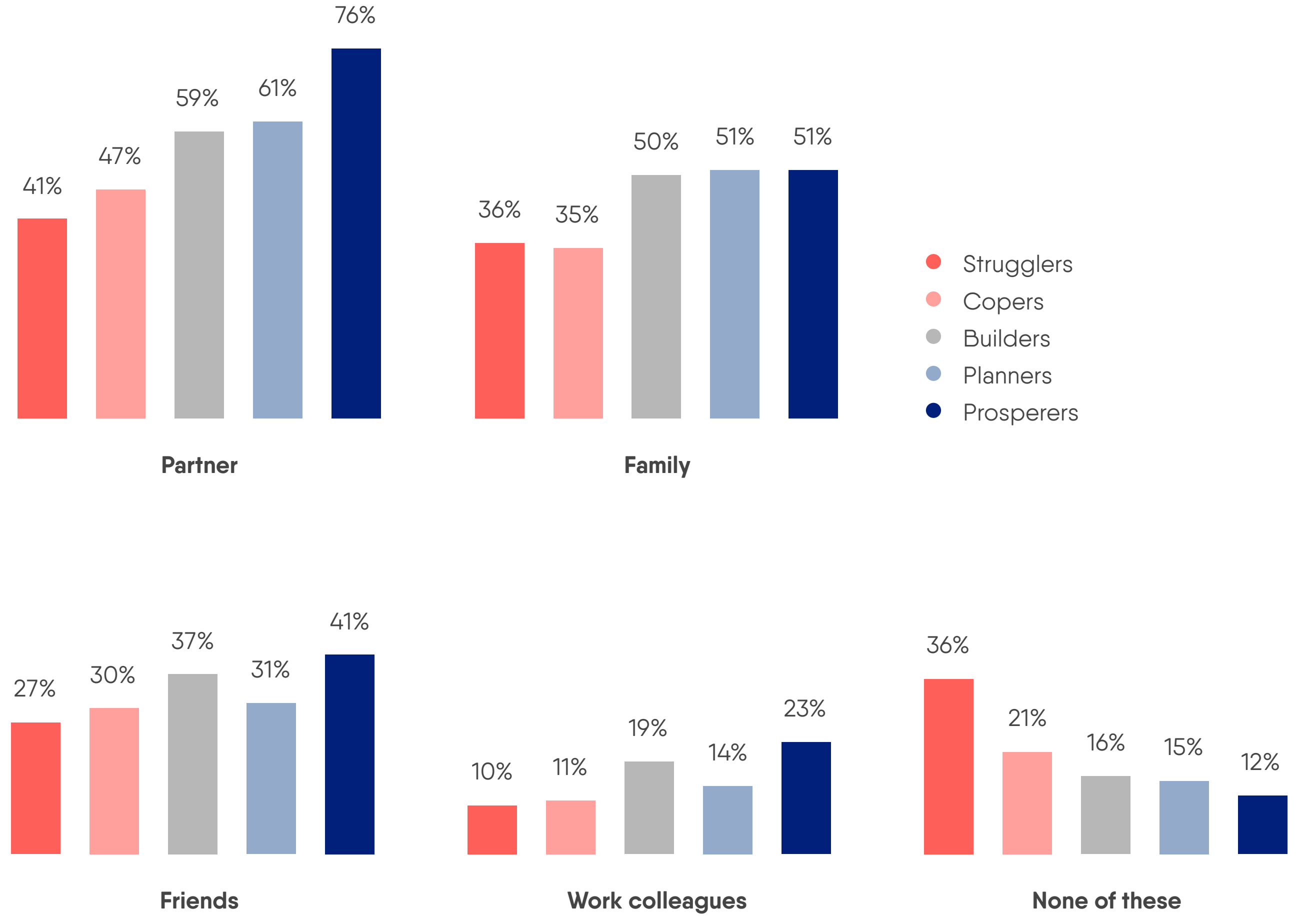


# OPENNESS ABOUT MONEY

Money really is the last great taboo. Less than half of people are comfortable talking to anyone apart from their partner about their personal finances.

For those with low financial wellbeing this drops sharply, with far less of them willing to talk to their partner or family about financial matters. There is also a corresponding increase in the number of people stating they don't feel comfortable speaking to any of the people in their life, potentially related to the feelings of shame mentioned earlier.

## I feel comfortable talking about my personal finances with:



# 03

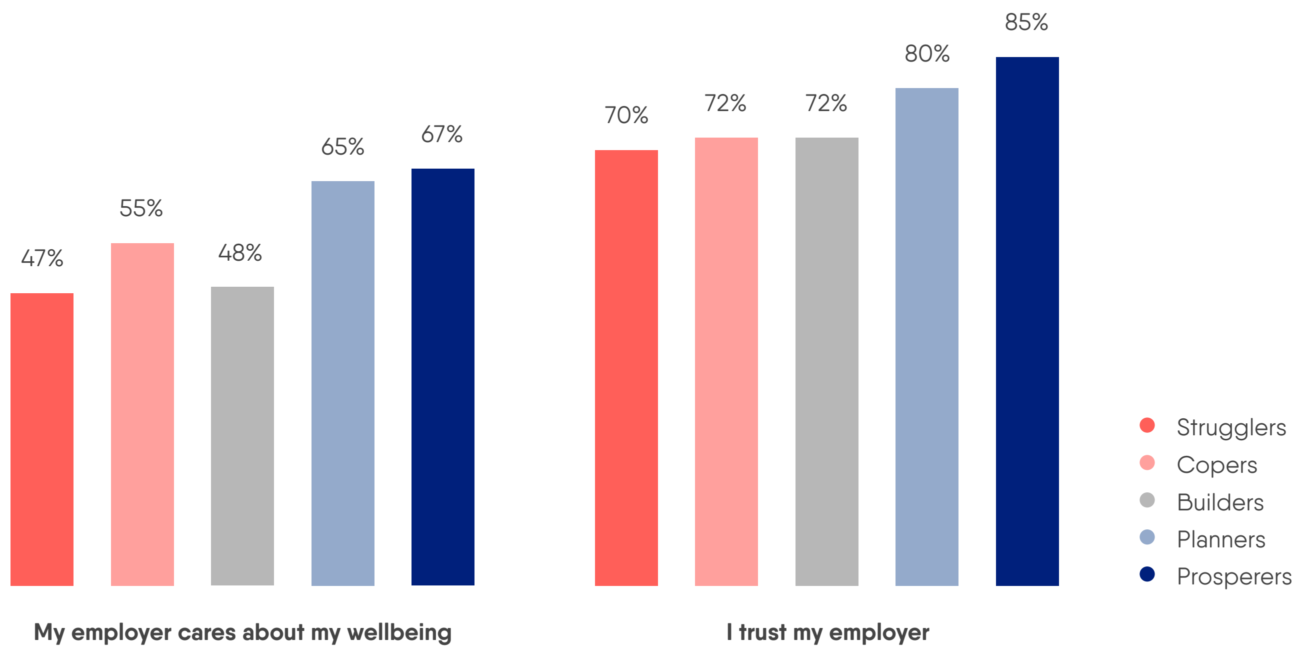
# THE EMPLOYEE & EMPLOYER RELATIONSHIP

# TRUST & CARE

Employees have high levels of trust for their employers and generally believe that their employer cares about their wellbeing. This drops for those with lower financial wellbeing but does not fall below 70% for trust and 47% for believing that their employer cares.

This creates a powerful role for the employer. As levels of trust for organisations are generally falling, especially for financial institutions, they are still high for employers, putting them in a unique position to help their employees improve their financial situation.

## Employee attitudes towards employer




# WHAT EMPLOYERS OFFER & WHAT EMPLOYEES WANT

We asked what finance related employee benefits were available to employees. The top ten responses show that, perhaps as expected, pensions are by far the most well recognised benefit by employees. It is also fairly common to offer a range of discount-type benefits that allow employees to access services at a lower cost than they would be able to directly.

However, we found a stark mismatch between what was typically offered and the employee benefits that meet the most pressing needs of those suffering with the lowest financial wellbeing.

We saw earlier in this report that universally people want to get out of debt and get better at saving. This motivation was highest in those among employees with the lowest financial wellbeing.

| Which of the following benefits are available to you in your company? | |
|---|---|
| Employer pension contributions (above statutory minimum) | 35% |
| Cycle to work bike loan | 25% |
| Free or discounted staff parking | 24% |
| Staff discounts on company products and services | 22% |
| Childcare vouchers | 20% |
| Discounts on leisure activities (e.g. cinemas, restaurants) | 17% |
| Private health insurance | 16% |
| Medical treatments (e.g. eye tests, dentist, physio) | 16% |
| Gym membership | 14% |
| Employee Assistance Programme (EAP) | 13% |

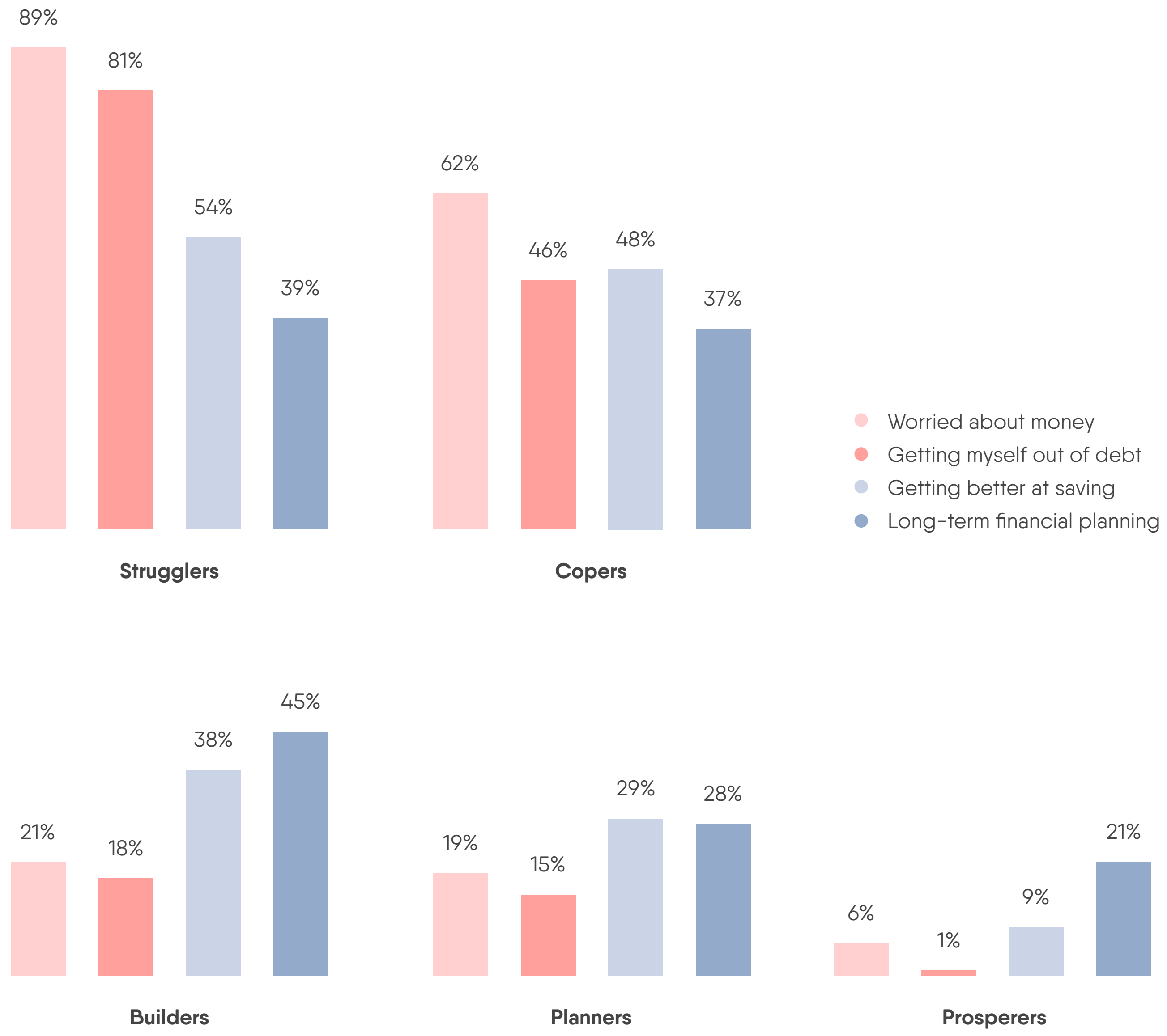


This is encouraging for HR leaders and businesses who recognise the damaging impact that poor financial wellbeing is having on their organisation.

It tells us that, although financial education is important, it is not necessary to help people understand what actions they need to take to improve their situation. They already know what they need to do.

What they are missing is the means to easily make a change. So the question becomes: are the employee benefits on offer supporting those that require the most help?

## Top priorities by Financial Fitness Score



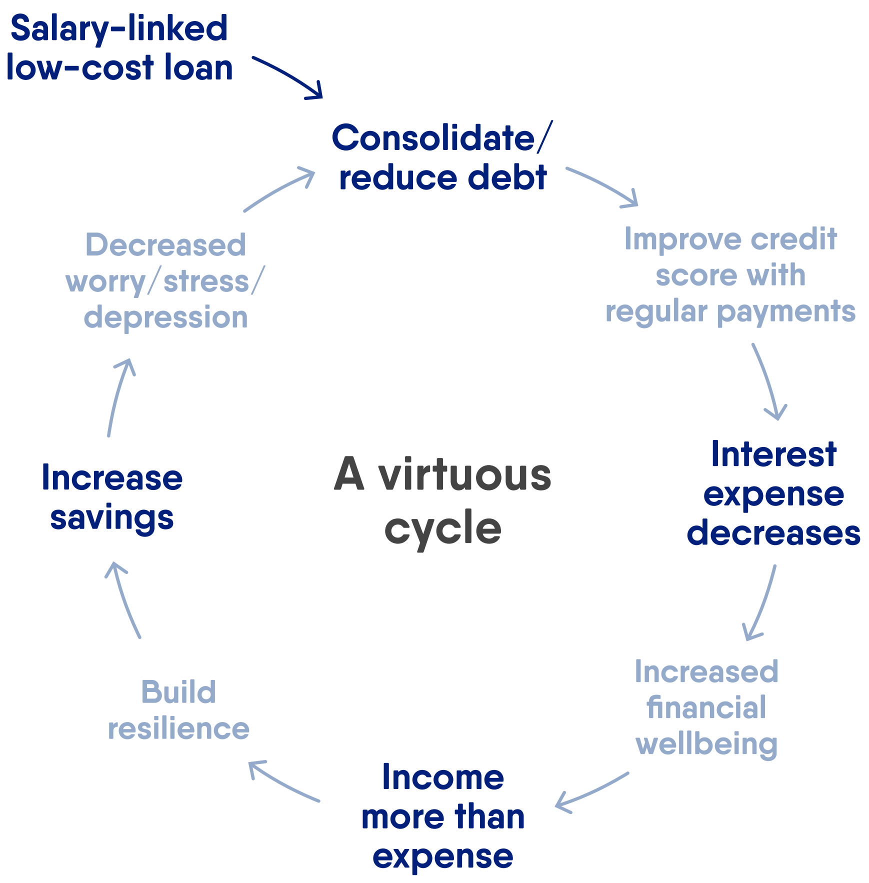
# THE POWER OF SALARY-LINK

Our research has found that people are inclined towards being natural Copers or natural Planners. The difference between the two groups is not their intent but the systems and habits they follow, and the extent that those habits create financial stability.

Salary-linked employee benefits are powerful. They can help shortcut, or hack, an individual's natural behaviour to help them achieve greater financial wellbeing. It can help natural Copers look and behave like natural Planners.

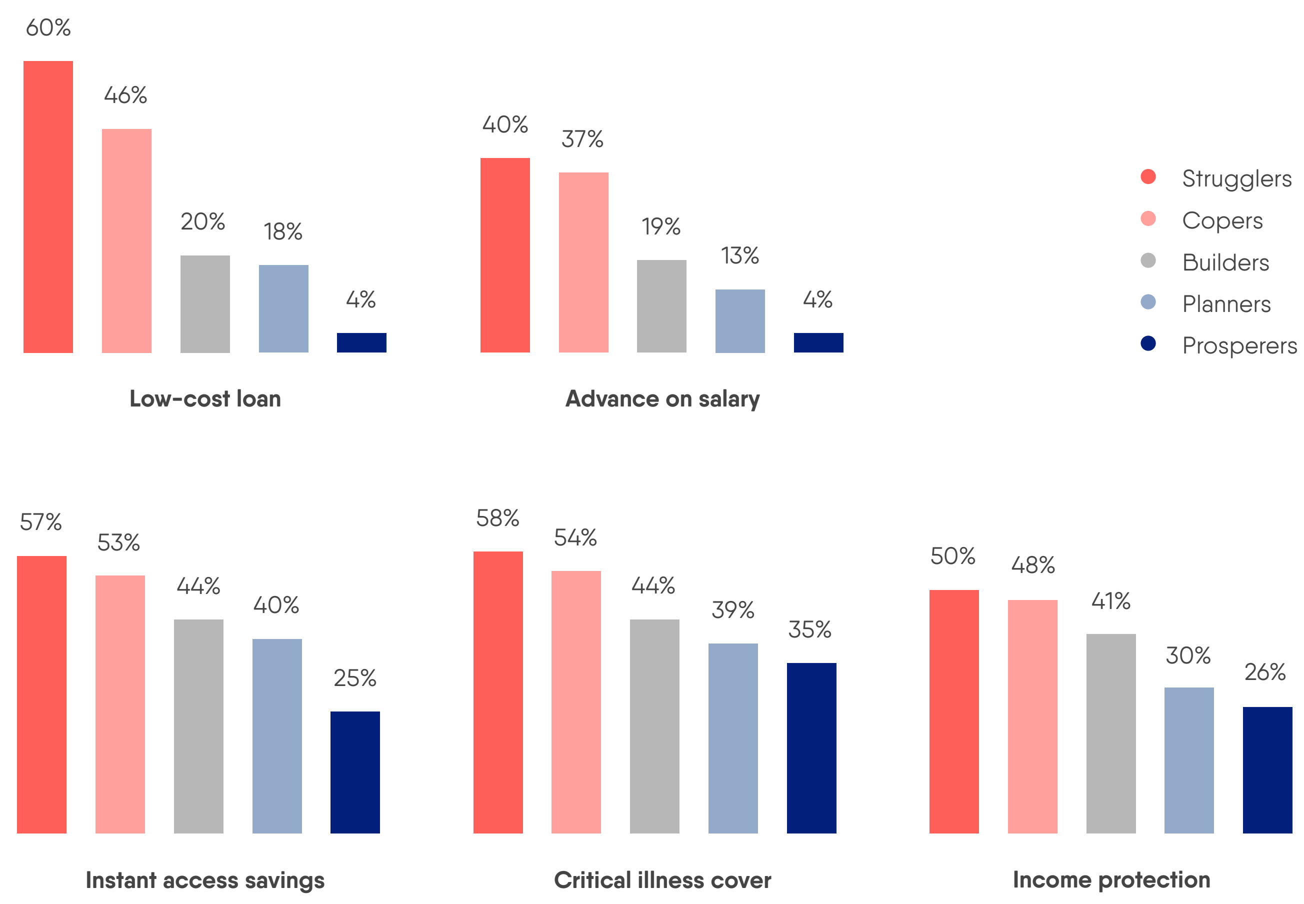
We have created the table on the next page to illustrate the practical differences that can occur for people when they have low financial wellbeing and are given the opportunity to have salary-link.

| | High financial wellbeing | Low financial wellbeing | |
|---|---|---|---|
| | | No salary-link on offer | Salary-link on offer |
| Debt | Borrowing is a choice not a requirement.<br><br>Able to access credit easily at a low interest rate (<5% APR) due to their good credit history. | Borrowing as a necessity. Excluded from mainstream credit. Only high-cost (>60% APR) options available which make debt situation and credit profile worse. | Salary-link improves the risk profile and enables them to borrow from a prime lender at low-cost (7.9% APR) despite having a poor credit profile. Improves ability to consolidate debt, improve credit rating and improve monthly cashflow. |
| Saving | Have a system in place to save consistently. Typically save £200-500 per month regularly. They also keep their savings intact, and rarely access savings. | No system in place so save when they can. Save less than £100 per month on average, but access it regularly, so savings build slowly, if at all. | Creates a Planner/Prosperer like system. Savings deposits are made before their ability to spend. Savings are kept separate from day-to-day spending. |
| Unexpected costs | Able to dip into savings with limited impact on day-to-day spending or financial resilience. | Fall back on expensive credit such as overdrafts, payday loans or credit cards. At high risk of falling into a high-cost debt cycle. | Take an advance of a proportion of earned pay to cover the unexpected expense. No impact on their credit profile as it is not a loan. |






## Level of interest in salary-linked products



# 04

# HOW TO IMPLEMENT A FINANCIAL WELLBEING PROGRAMME

# SIX PRACTICAL TIPS

We have identified six steps employers can take to develop and implement a financial wellbeing strategy. These steps are based on hundreds of discussions with HR professionals, our own research and the best practice of those that have gone through the process of developing and implementing a financial wellbeing strategy.

## 1. A robust business case

It is critical to have a clear business case that can be used with all stakeholders that shows the business impact of poor financial wellbeing and also how your strategy fits in with the overarching HR and business priorities.

## 2. Progress not perfection

We know it can be difficult to know where to start. However, we also know that the financial wellbeing of your employees will not improve until you do. Those that have implemented a successful financial wellbeing strategy have started by helping those with the greatest need and built a broader programme from there. You will learn as you go and notice change as the momentum builds.

## 3. Know your workforce

Financial Wellbeing means different things for different people. Make sure the benefits that are offered meet the needs of those that have the lowest financial wellbeing and require the most support.

## 4. Culture change

There is a dilemma for employers who want to support those most in need, but struggle to know who those individuals are. Talking about money continues to be a taboo subject and can be particularly difficult for those that are struggling. Unless this taboo is reduced/removed the most vulnerable will be hesitant in engaging with their money.



## 5. Communicate to build awareness and show availability

The most expertly selected range of benefits will have limited impact if employees don't know about them or don't know how to access them. Having a comprehensive and on-going communications plan, especially for those that work remotely, is critical. Those organisations that use multiple channels and delivery methods have the greatest levels of engagement.

## 6. Measure the impact

Improving the financial wellbeing of an individual and a workforce takes time and continued focus and resources. If senior management cannot see the benefits and impact of the programme, then funding will be cut and the initiative will die. This is why it's important to agree the criteria to measure success, which could be sickness rates, retention rates, job satisfaction survey responses, benefits take up rates, engagement in financial education. These measurement criteria need to be an integral part of the business case.

**We have produced a more detailed guide for each of the above six steps which can be found in the 'How to Implement a Financial Wellbeing Programme' guide.**

# ABOUT SALARY FINANCE

## Putting people first

Our mission is to help millions of people around the world become financially healthier and happier. We partner with employers to develop financial wellbeing strategies and provide salary-linked financial wellbeing benefits to their employees.

## Pay off debts properly

Our employee loans enable staff to borrow responsibly and get out of debt. We offer  lower interest rates, because we deduct loan payments directly from salary. On average, your staff can save £700 by avoiding high-interest loans.

## Start saving

It's our mission to get people saving. We're a nation of spenders, not savers - 70% of Britons save less than £100 a month. Our salary-deducted savings make it easy and hassle free for anyone to start and sustain a savings habit.

## Manage unexpected expenses

29% of employees run out of money before payday and, on average, people in the UK resort to taking out high interest payday loans and credit cards every 4 out of 12 months. Our Advance product allows employees to access up to 50% of their earned salary before their payday, giving greater control of their finances.

## Make friends with finance

Finances can be a scary topic. We offer accessible, engaging financial learning tools for all your employees. This ranges from budgeting tools, hints and tips, videos, life guides, webinars and access to your credit score.

## Protecting you and your loved ones (launching in Q4 2019)

Life is full of unexpected events that can cause you to have a temporary or permanent drop in your income. This is particularly worrying for those that are the sole breadwinner and are responsible for financial support of one or more family members. Salary Finance in partnership with Legal & General now offers Life Cover, Critical Illness Cover and Income Protection through salary deduction and lower rates than would be available in the market.

# GET IN TOUCH

**Did you find this guide useful?
We want to know!**

We have a dedicated team of financial fitness experts that are around to answer any of your questions about building a financial wellbeing programme.

Email us: **info@salaryfinance.com**

BUSINESS IN THE COMMUNITY

Responsible Small Business of the Year 2018

# NOTES



# NOTES