

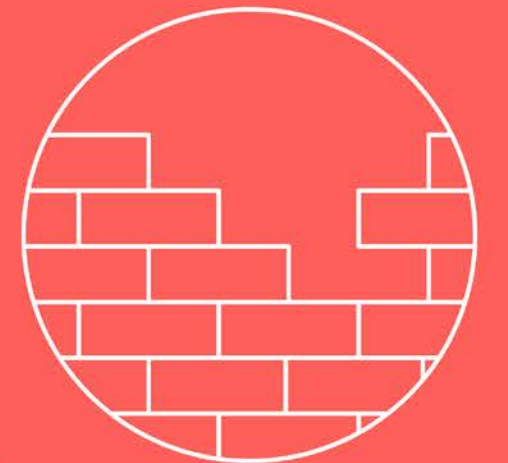
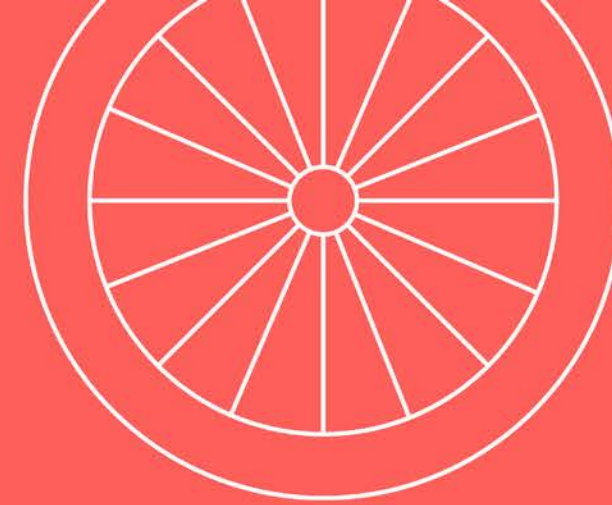
IMPLEMENTING A FUTUREPROOF FINANCIAL WELLBEING PROGRAMME

SIX PRACTICAL STEPS

Employee Benefits Connect

26 March 2020

**SALARY
FINANCE**



WHO IS SALARY FINANCE?

OUR MISSION:

To help millions of people around the world become financially healthier and happier.





THE WORKPLACE SUPERHERO

Today, the HR leader has to be an accountant, lawyer, psychologist, negotiator, counsellor, project manager, and an IT expert.

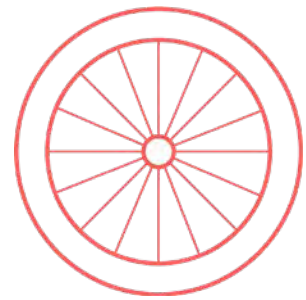
In short, a superhero in ordinary guise!

**HAVE YOU STARTED A FINANCIAL
WELLBEING PROGRAMME?**

WHAT IS HOLDING YOU BACK?

1. I don't know where to begin
2. It could be too risky
3. It's proving hard to get senior level buy-in
4. There are lots of other priorities
5. I'm not convinced enough of our employees have low financial wellbeing

SIX PRACTICAL STEPS



STEP
1

Build a robust
business case



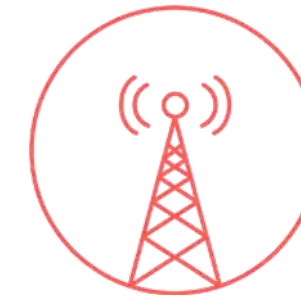
STEP
4

Focus on progress,
not perfection



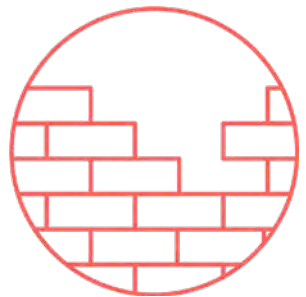
STEP
2

Know your workforce



STEP
5

Communicate
awareness and
availability



STEP
3

Enable culture
change

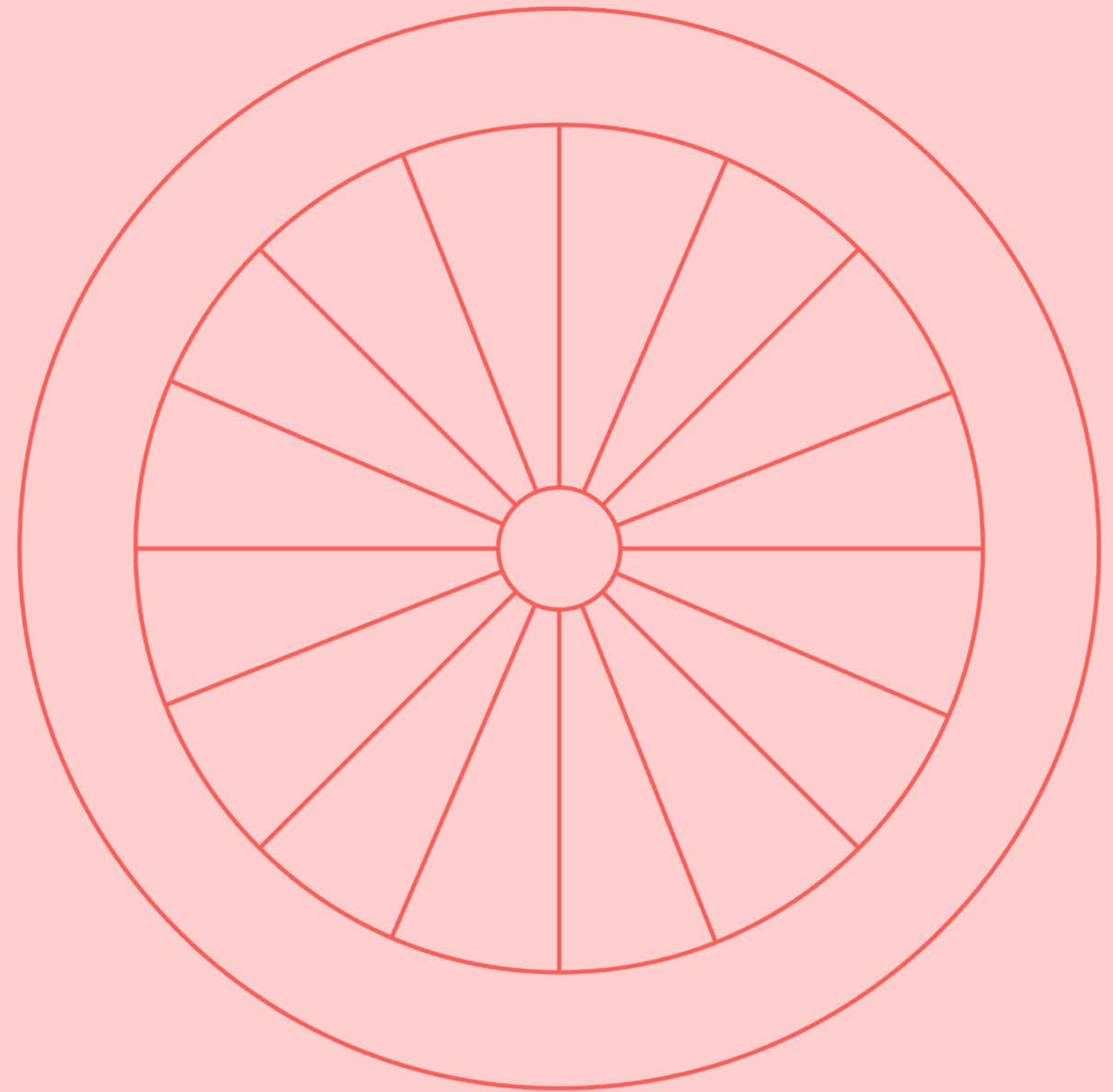


STEP
6

Measure the impact

STEP 1

BUILD A ROBUST BUSINESS CASE

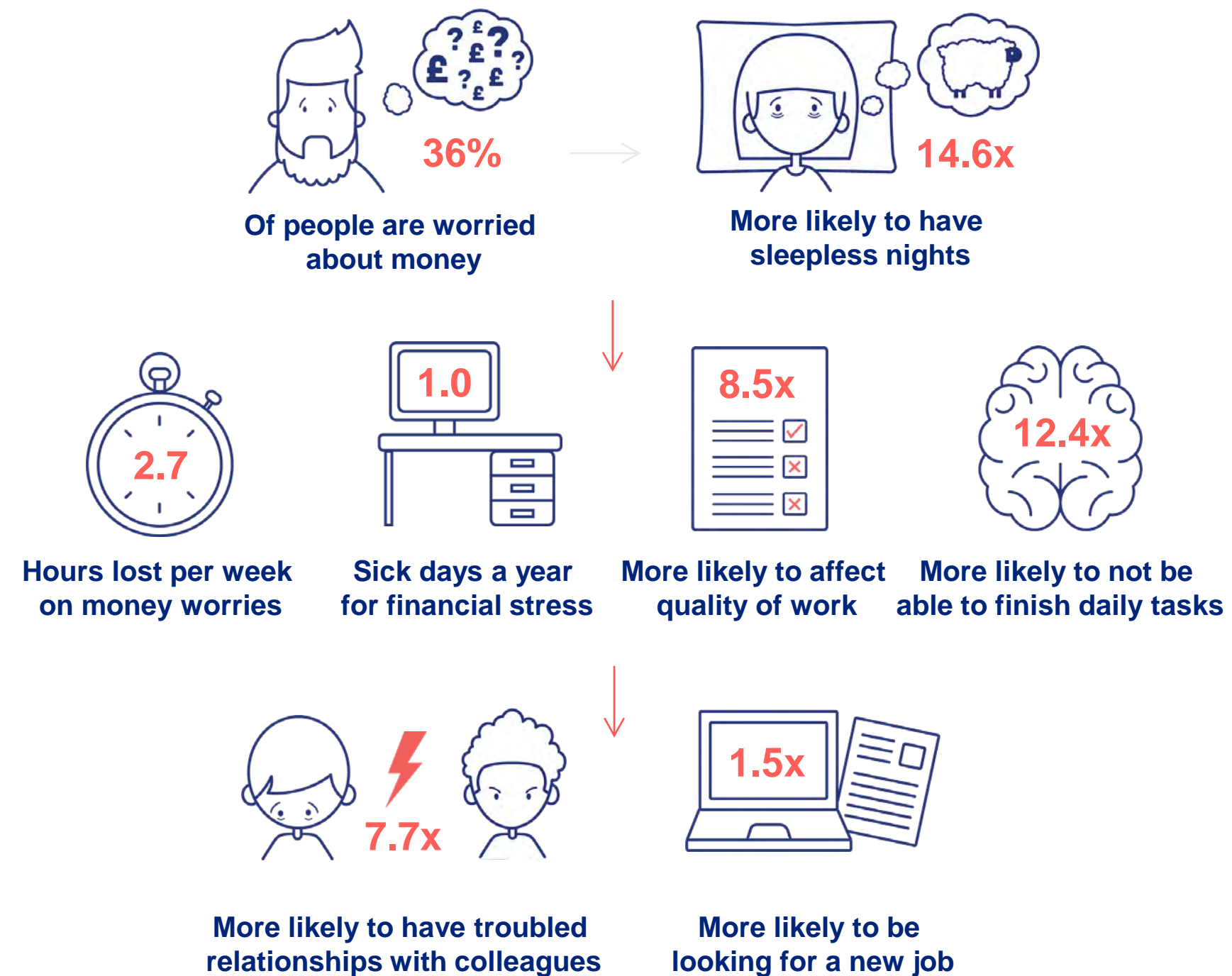


THREE KEY AREAS THAT YOUR BUSINESS CASE FOR FINANCIAL WELLBEING SHOULD COVER

1. Poor financial wellbeing is negatively impacting organisations
2. Financial wellbeing can enhance existing HR initiatives
3. A financial wellbeing programme doesn't need to be expensive

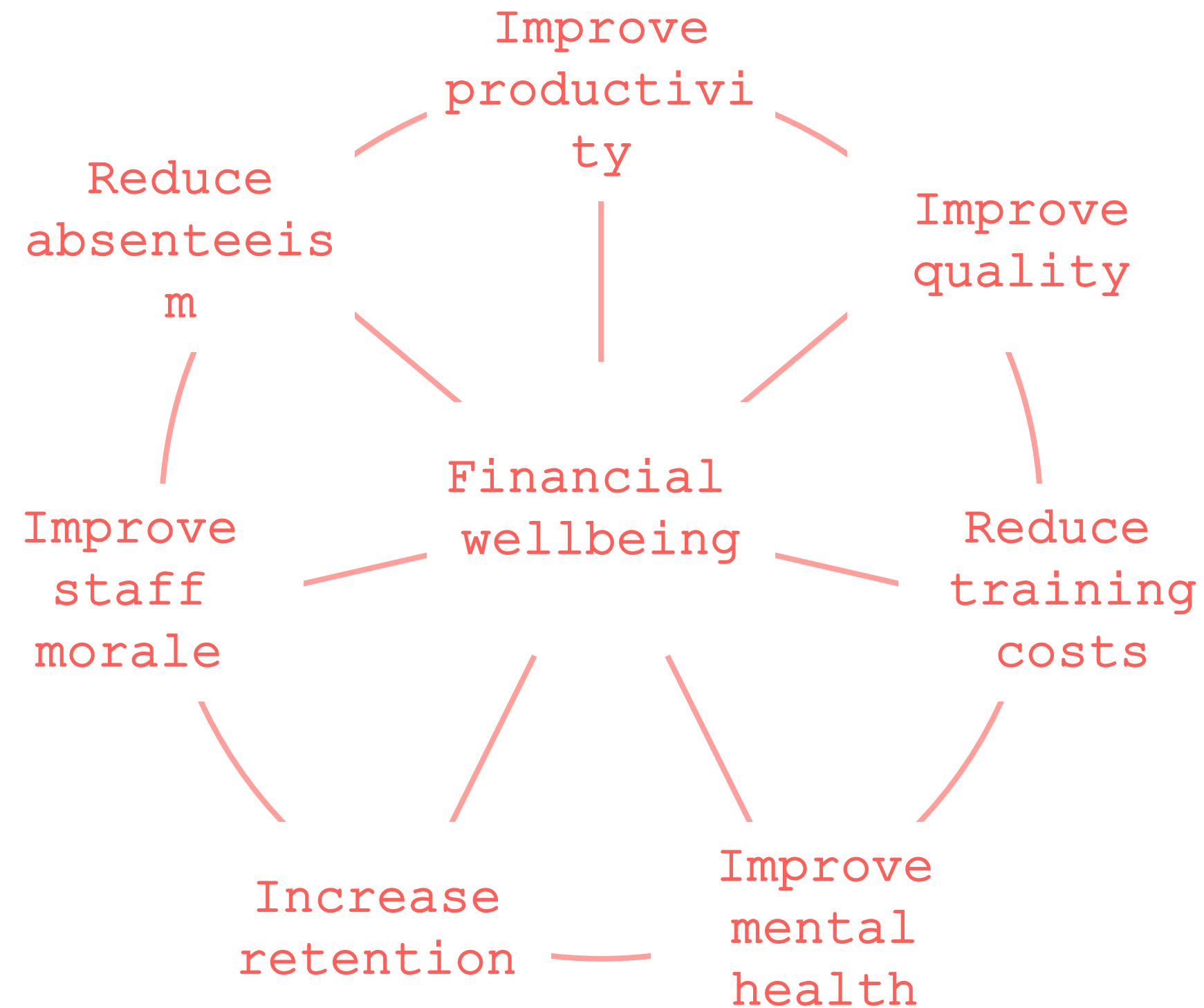


THE COST OF POOR FINANCIAL WELLBEING:



ENHANCE EXISTING INITIATIVES & PROGRAMMES

The wheel of wellbeing

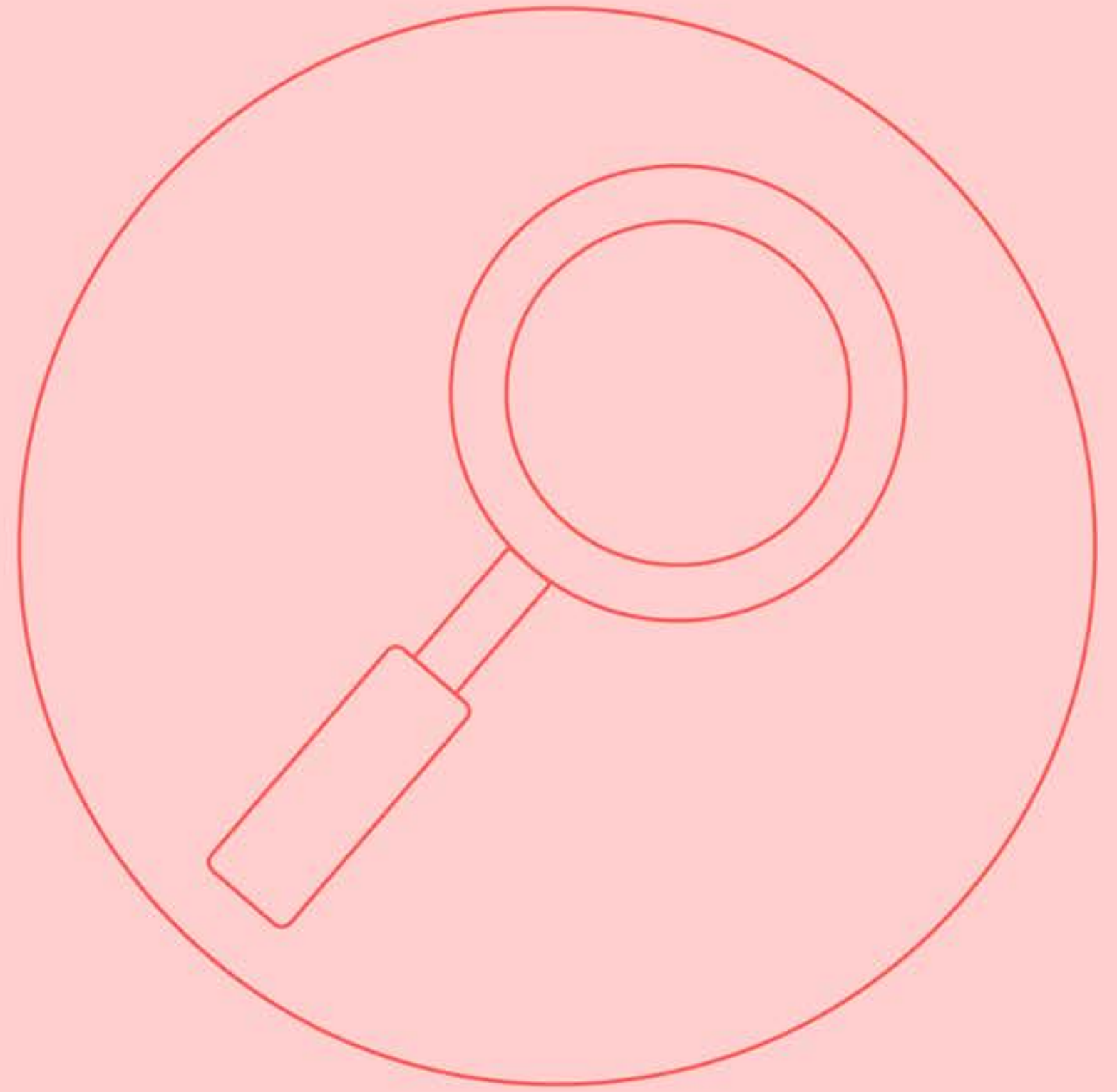


A FINANCIAL WELLBEING PROGRAMME DOESN'T NEED TO BE EXPENSIVE

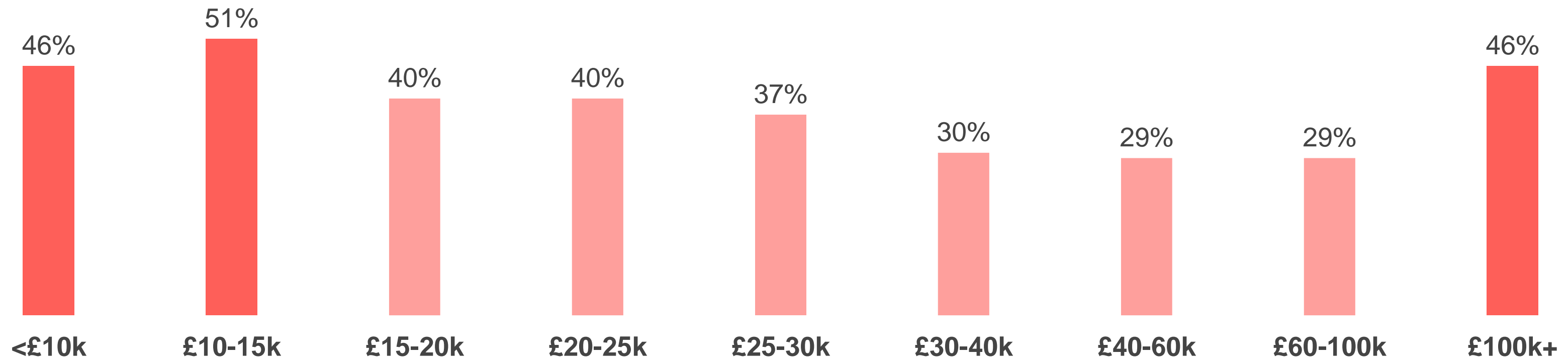
A large number of financial wellbeing benefits are zero cost to the employer.

STEP 2

KNOW YOUR WORKFORCE



MONEY WORRIES ARE NOT ALL ABOUT PAY



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.)

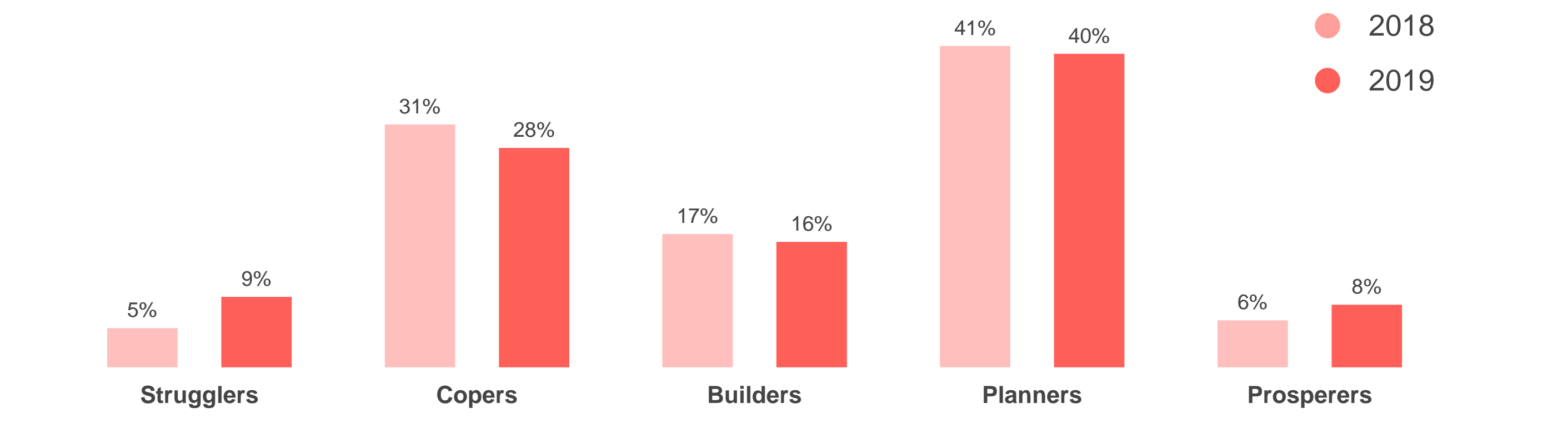
4. Planners

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

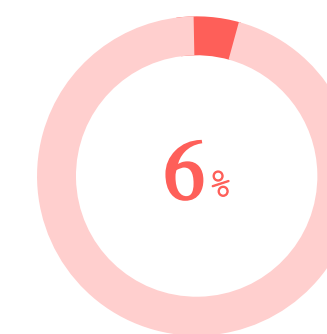
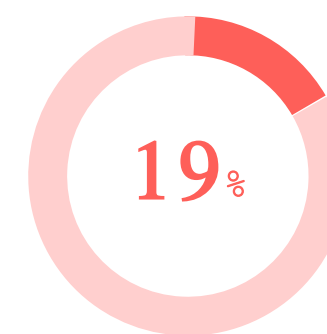
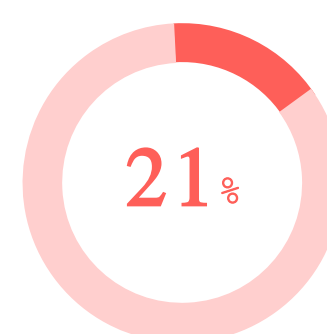
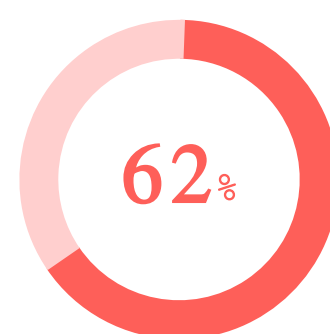
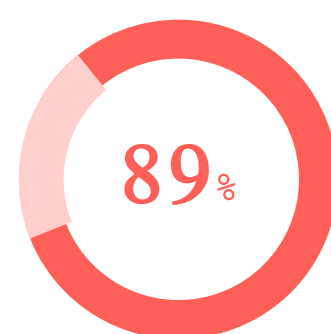
5. Prosperers

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

A TALE OF TWO WORLDS: COPERS & PLANNERS



% WORRIED ABOUT FINANCES AT EACH SCORE



DIFFERENCE BETWEEN COPERS & PLANNERS

COPERS

SPEND FIRST
save what's left over

Disengaged with the budgeting and planning, will avoid anything to do with finance, highly unlikely to attend financial education sessions

PLANNERS

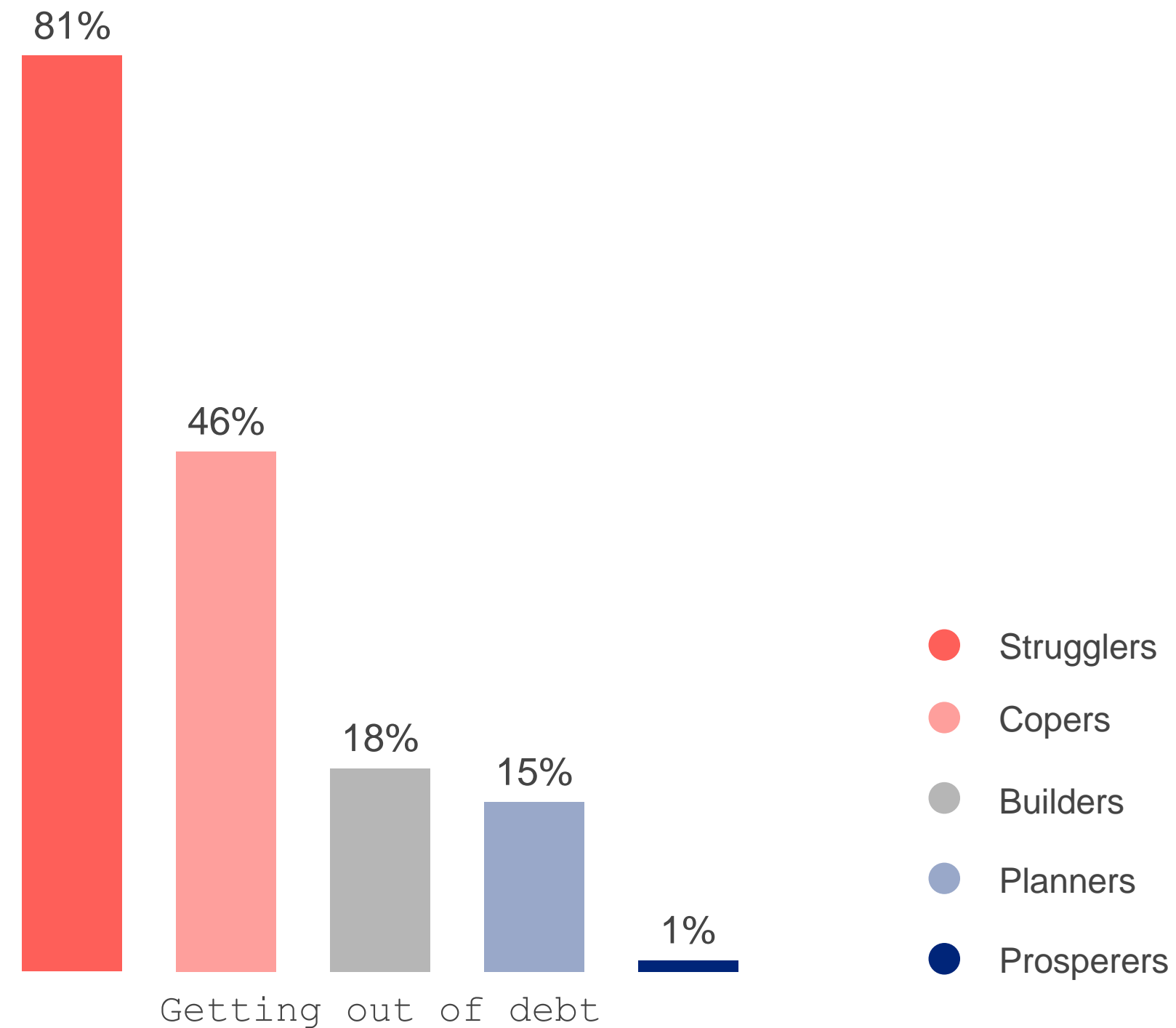
SAVE FIRST
spend what's left over

Highly engaged with budgeting and planning, will pro-actively seek out new information, like attending financial education sessions

WHAT IS THE TOP PRIORITY FOR PEOPLE WITH LOW FINANCIAL WELLBEING?

1. Getting better at saving
2. Getting out of debt
3. Gaining more confidence in financial matters

GETTING OUT OF DEBT IS THE MAIN PRIORITY

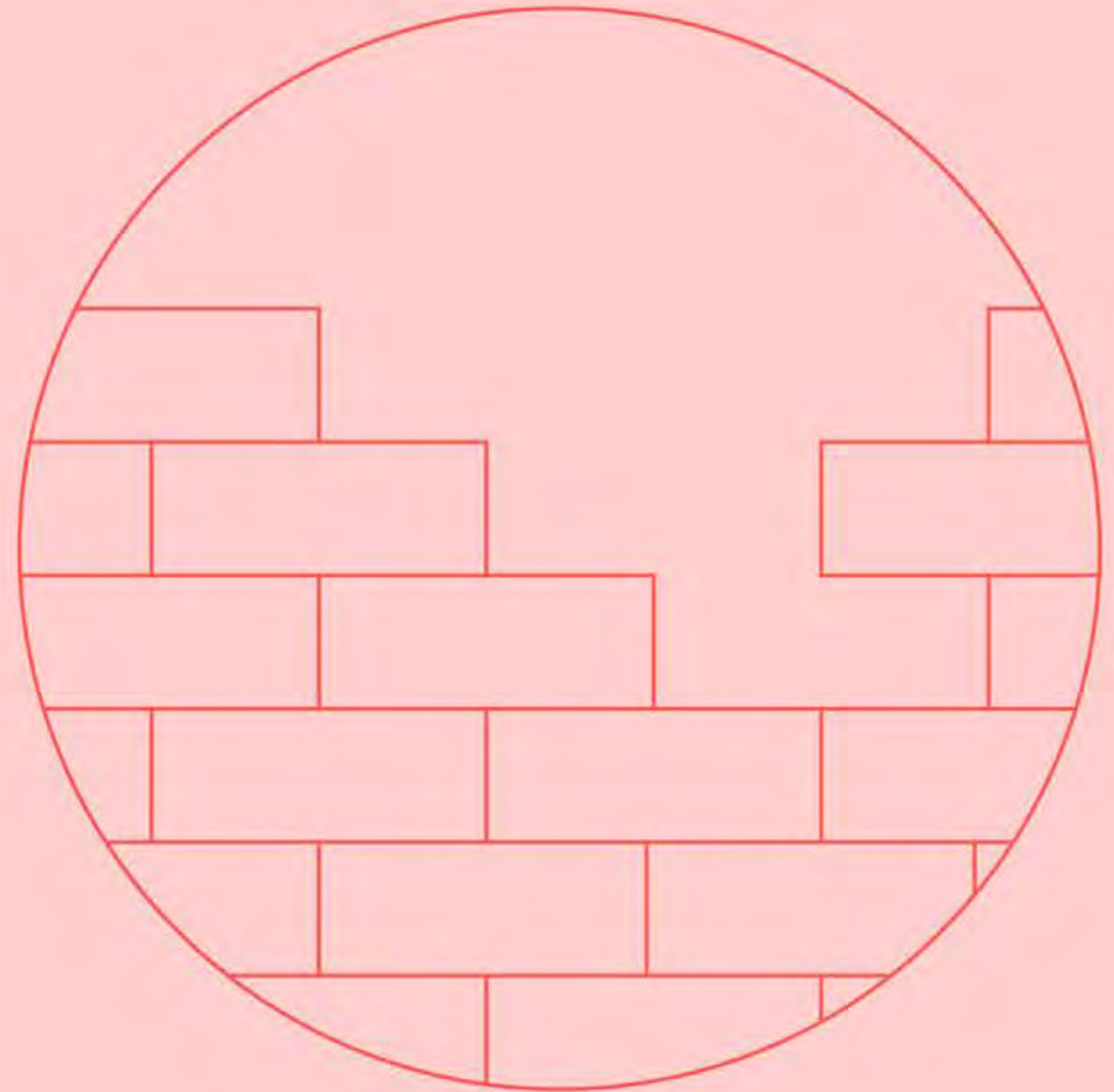


TWO PHASE APPROACH



STEP 3

ENABLE CULTURE CHANGE



**HOW OPEN ABOUT FINANCIAL
WELLBEING ARE YOU?**

HOW MUCH MONEY DO YOU HAVE IN SAVINGS AT THIS TIME?

1. Less than £1000
2. Between £5,000 and £10,000
3. Over £20,000
4. Rather not say

MONEY IS THE LAST GREAT TABOO

52%

Feel comfortable
talking about
mental health

Mental Health at Work Report 2019, BITC

14%

Feel comfortable
talking about
personal finances

The Employer's Guide to Financial
Wellbeing 2019-20, Salary Finance

STIGMA EXISTS BECAUSE OF THE FEAR OF BEING JUDGED



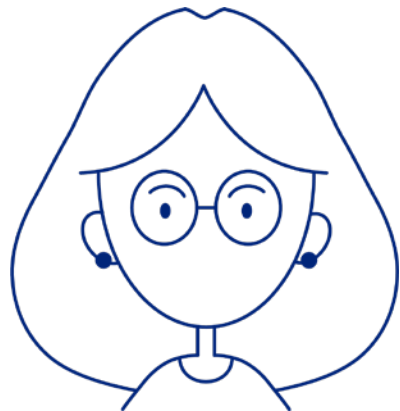
A SENIOR LEADERSHIP MINDSET CHALLENGE

We shouldn't be getting involved in our employees' personal finances, that's private



We don't have employees who would use these services

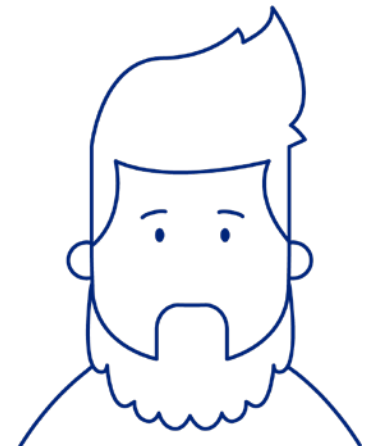
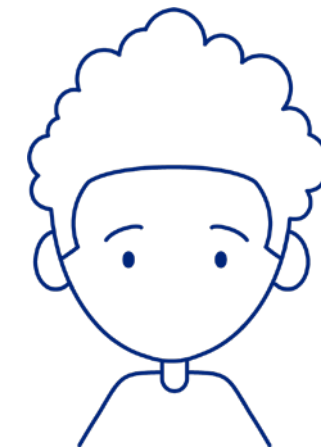
The financial wellbeing of our employees isn't something we can fix



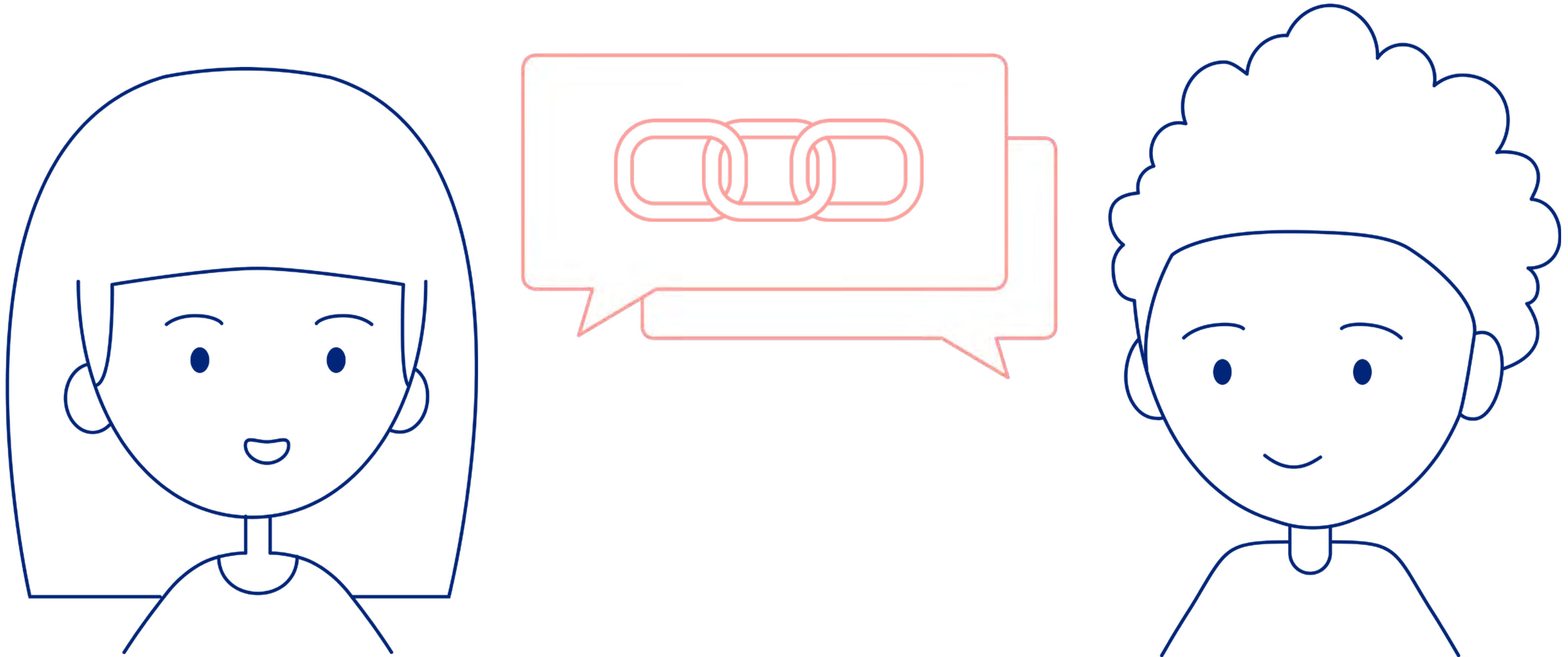
Financial wellbeing is a problem for a minority of people who don't understand finances



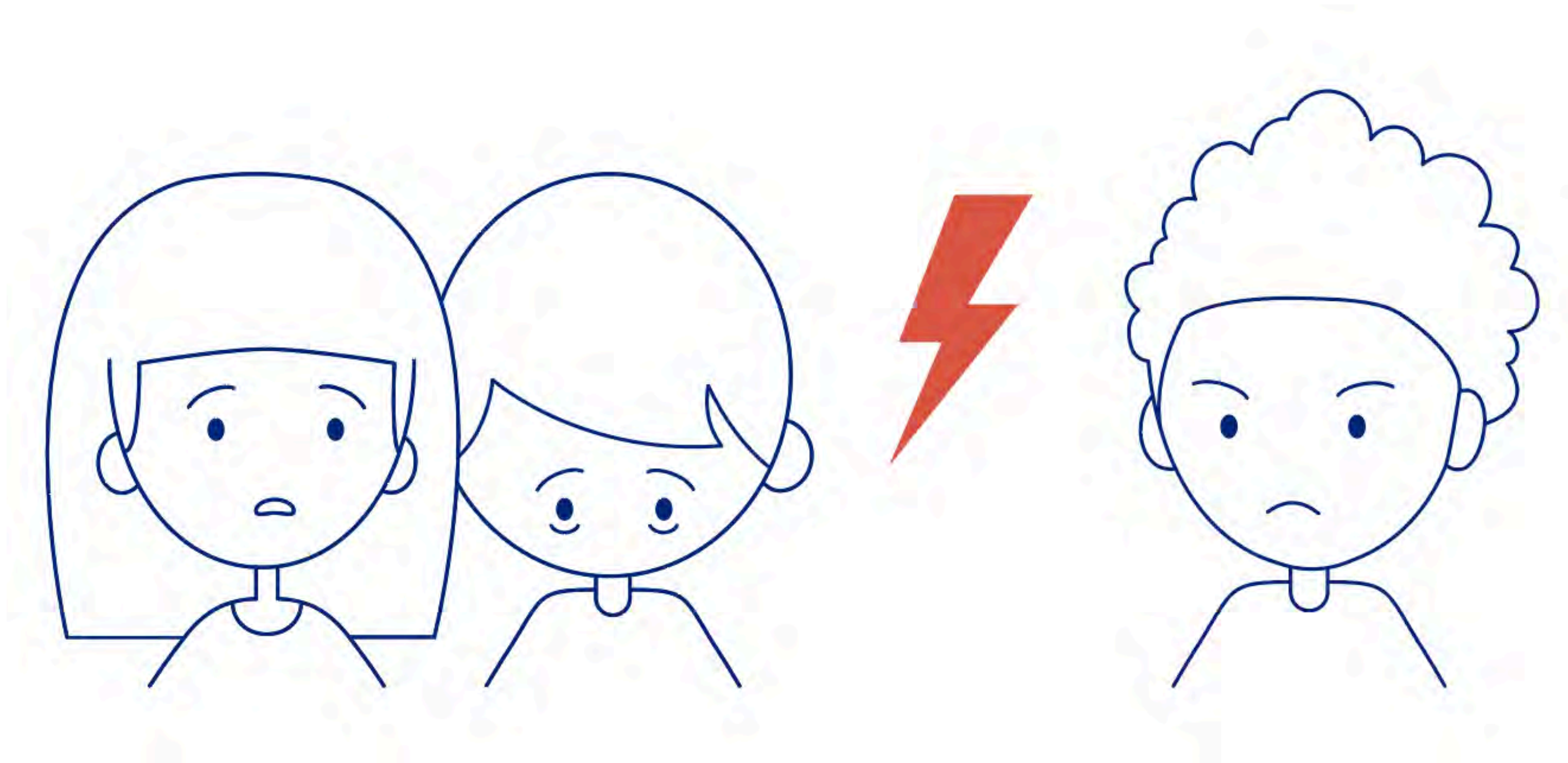
If people have got themselves into debt, then offering them loans could be very risky



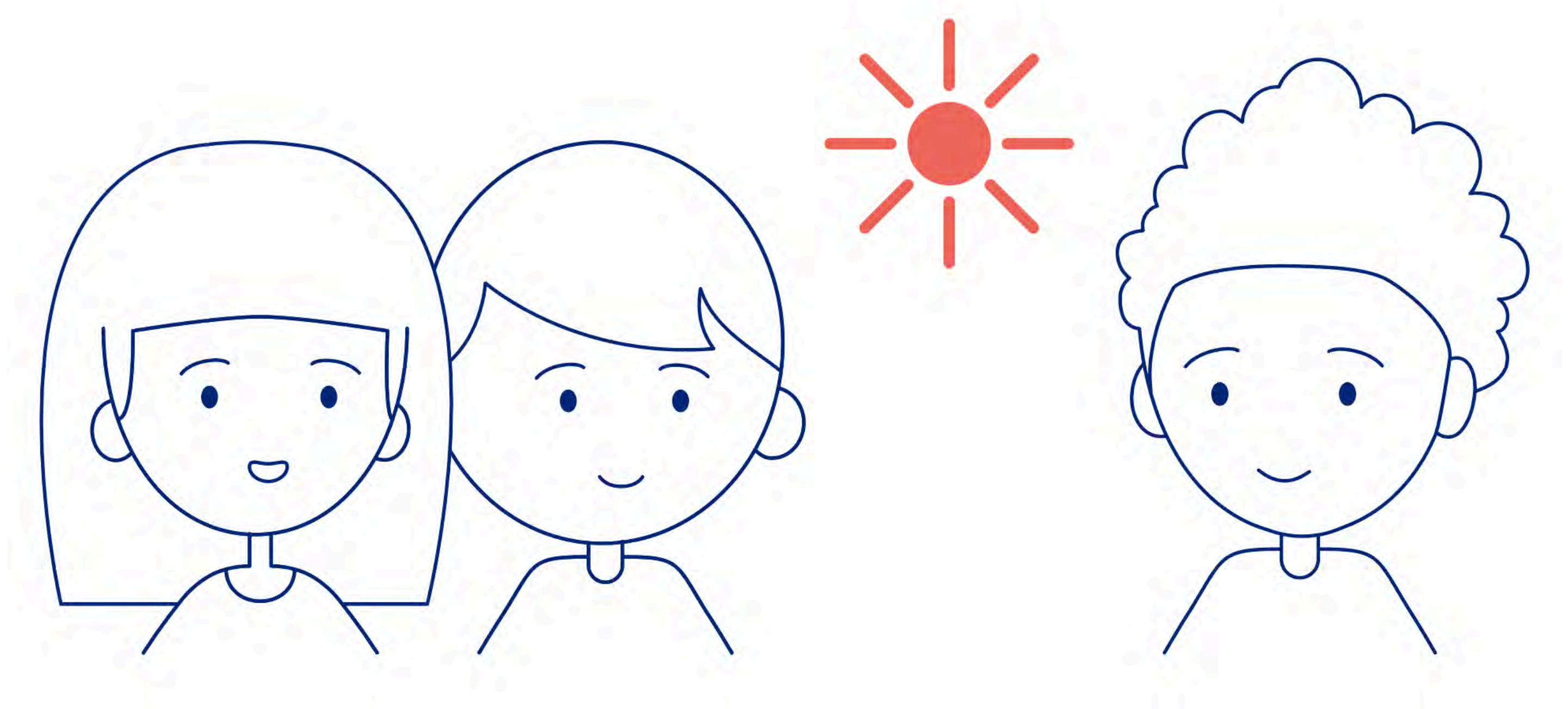
FACILITATE ADULT-TO-ADULT CONVERSATIONS



LINE MANAGERS CAN MAKE OR BREAK CULTURE



LINE MANAGERS CAN MAKE OR BREAK CULTURE

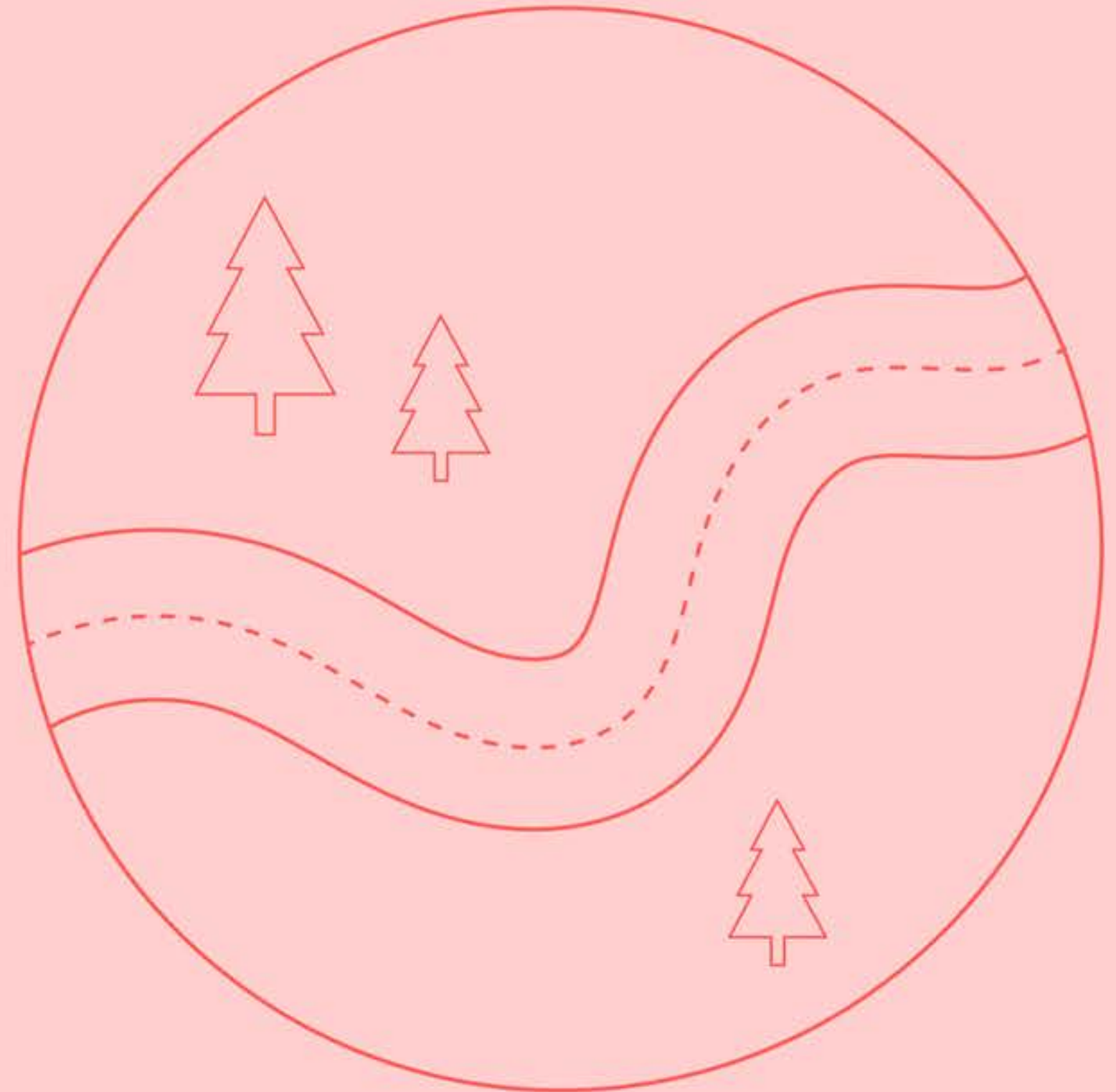


SOME THINGS TO CONSIDER

1. Find a financial wellbeing champion and make sure they show up throughout
2. Ensure there is line-manager buy-in and training
3. Build an employee represented steering group
4. Consider financial wellbeing first aiders
5. Create networks and communities
6. Encourage sharing personal stories
7. Bring in inspirational speakers

STEP 4

FOCUS ON PROGRESS,
NOT PERFECTION

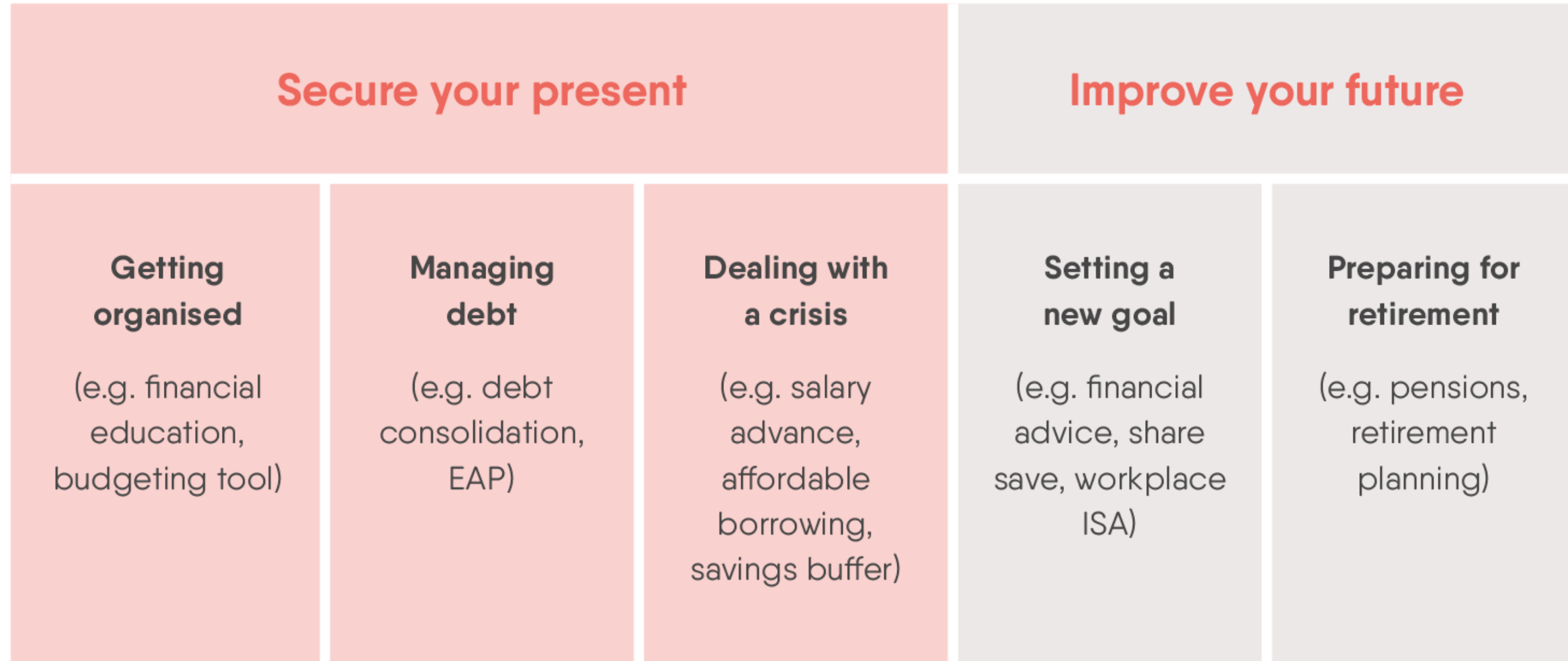




GET GOING

- There is no such thing as the 'perfect programme'
- Any programme will need to be iterative - reviewed and evolved as contexts change within the organisation and the wider economic and employment landscape
- Try things out, see what works and make it fun

SUPPORT EMPLOYEES AT ALL LEVELS OF FINANCIAL WELLBEING



Financial wellbeing 

CULTURE & BENEFITS GO HAND-IN-HAND

Concurrently focussing on both the culture of your company and the financial wellbeing benefits you're offering, will allow you to build financial resilience in the short, medium and long-term.

Eradicate
shame

Culture and
community



Enable
financial
freedom

Action-orientated
benefits

CULTURE & COMMUNITY

Ensure there is senior-level buy-in for financial wellbeing

Short-term goal

Wellbeing audit with particular attention focussed on financial wellbeing
Start having conversations around the business - encourage people to share stories

Medium-term goal

Continue the conversations, create more stories and grow communities where people feel comfortable talking about financial wellbeing

Long-term goal

Become a recognised leader for financial wellbeing, create and grow a thriving community and increase employee retention and productivity

FINANCIAL WELLBEING BENEFITS



Short-term goal

Launch financial wellbeing benefits that will have the greatest impact for those with the greatest need. The focus should be on those that are:

- In debt
- Have little or no savings

Medium-term goal

Introduce more products that appeal to a broader group

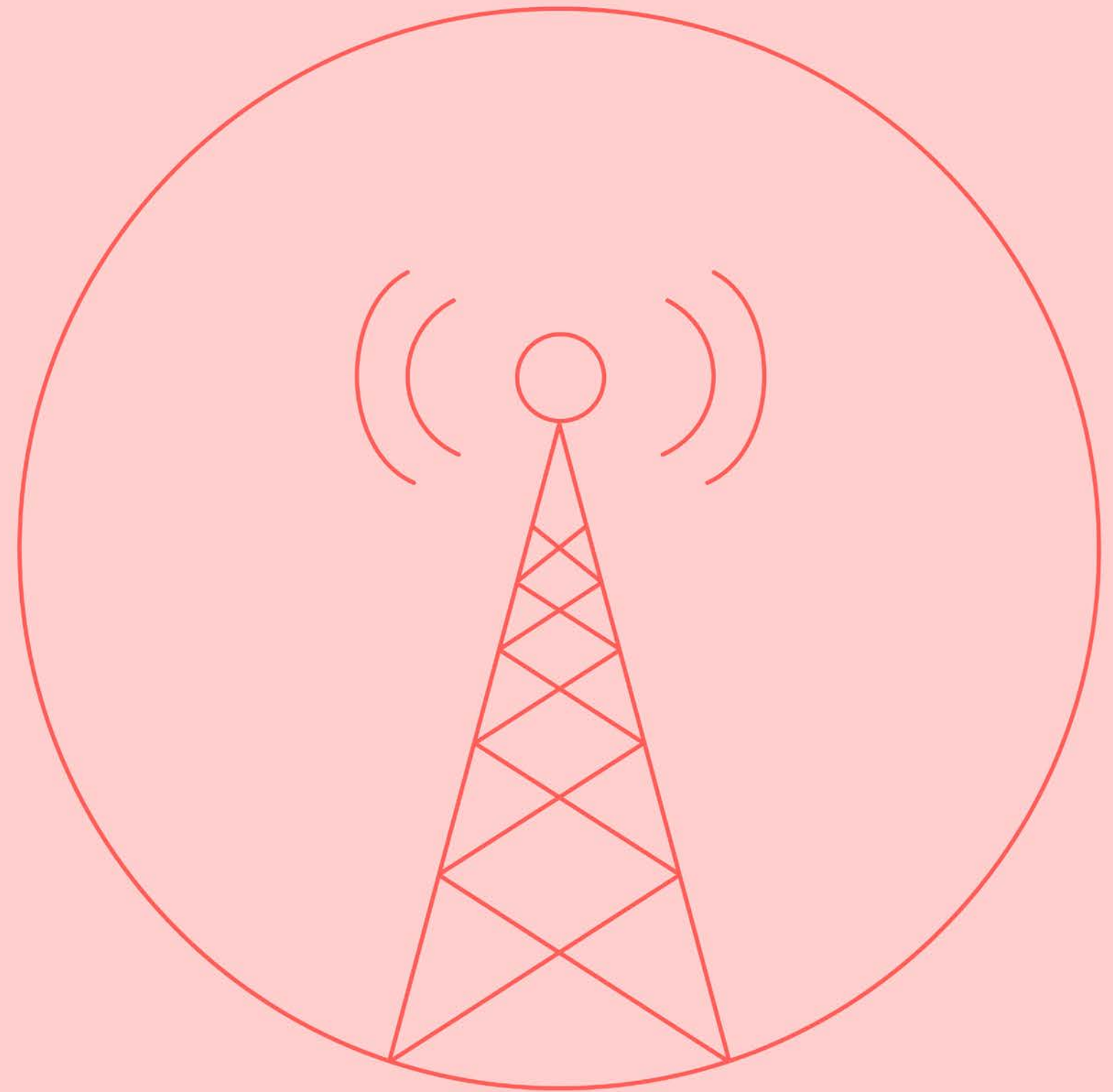
Long-term goal

Full suite of financial wellbeing benefits that serve all employees' short, medium and long-term financial goals.

Focus on a more engaged workforce with improved financial wellbeing

STEP 5

COMMUNICATE AWARENESS
AND AVAILABILITY



SPREAD THE WORD

Communication is about
the message received,
not the message sent.

THE RULE OF SEVEN

It's easy to think that
if
you have communicated
something once, it's
enough.

It isn't.

COMMUNICATE WITH OTHER WELLBEING INITIATIVES

Physical wellbeing

Mental wellbeing

Work-life balance

Working environments

Learning and development

SOME IDEAS TO CONSIDER

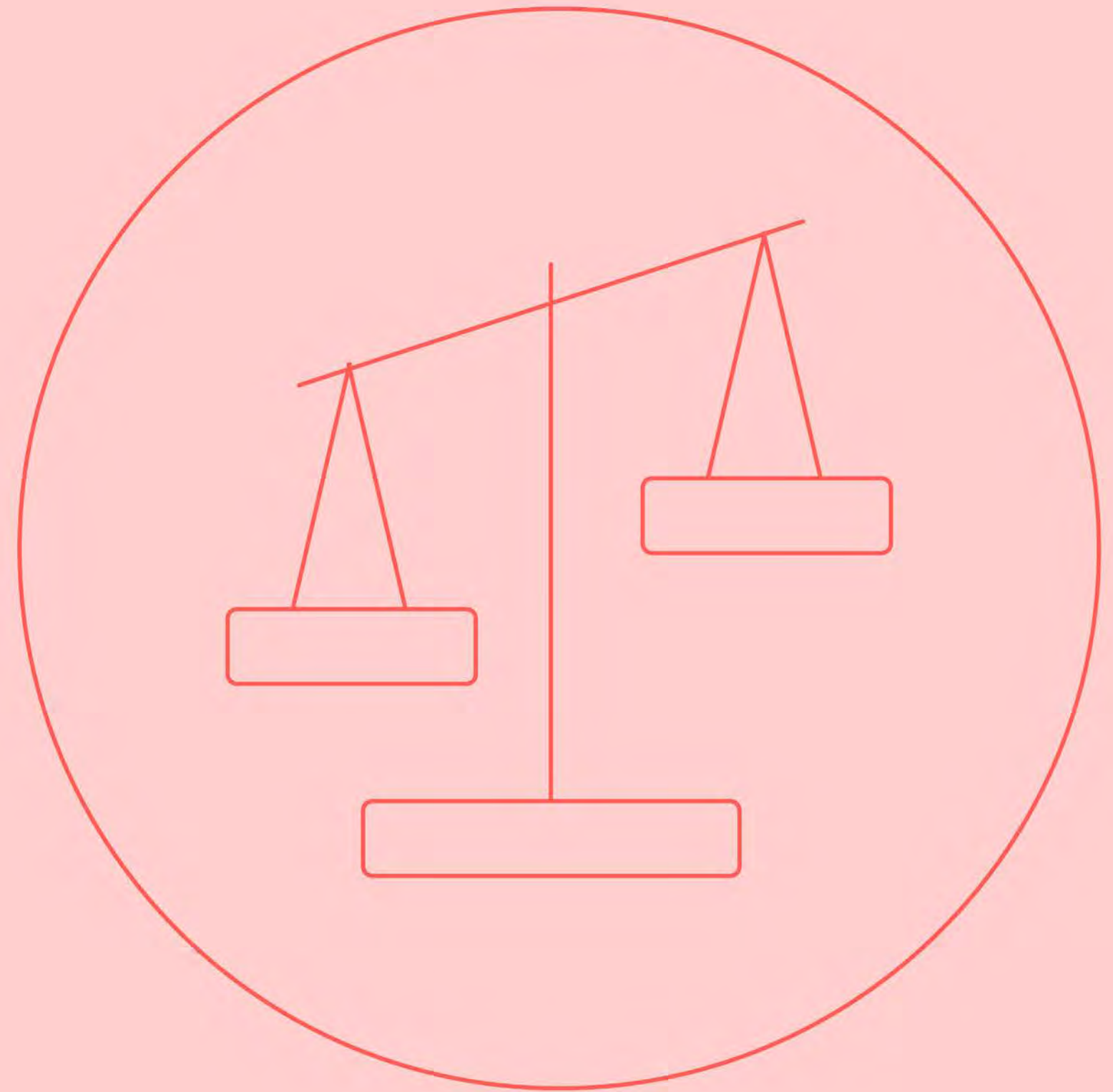
- Have regular wellbeing months or weeks
A focus on different workstreams on different days
- Create a ‘wellbeing hour’
Encourage employees to take an hour out of their work week to look at all aspects of their health
- Share benefit ‘deep-dives’
Pick out one of your wellbeing workstreams and delve deeper into the benefits, support you provide and how to access it

GET THE MOST OUT OF YOUR COMMS

1. Get creative with design and content
2. Give employees explicit permission – actively encourage them to find out about what's on offer
3. Consider who you want to target and where are they based

STEP 6

MEASURE THE IMPACT



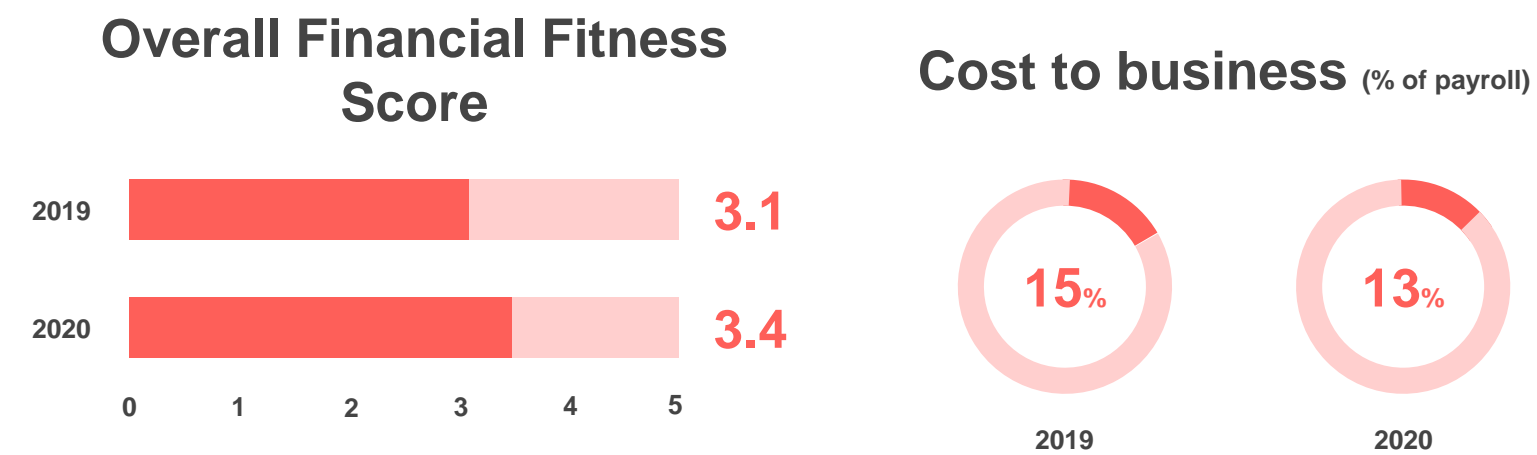
FOUR AREAS TO CONSIDER

1. Look at direct and indirect influences
2. Consider softer metrics
3. Be realistic about what you can measure
4. Don't take data at face value

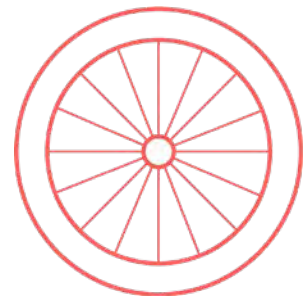
WHAT TO MEASURE

COST TO THE BUSINESS	IMPACT ON WORK	IMPACT ON THE INDIVIDUAL
£m p.a	Productivity	Financial Fitness Score
% of payroll	Staff turnover	Credit score
Productive days lost	% of accidents (near misses)	Amount of interest saved
Number of additional people that could be hired	Absent days	New savings accounts
	Employee Satisfaction	% of employees that feel comfortable talking about their money situation
		Number who have engaged in financial education

IMPACT REPORT EXAMPLE



SUMMARY OF THE SIX STEPS



STEP
1

Build a robust
business case



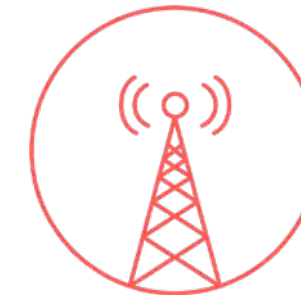
STEP
4

Focus on progress,
not perfection



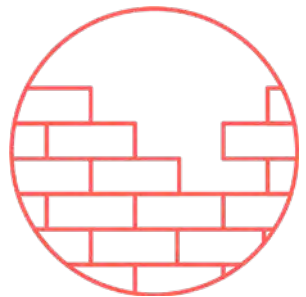
STEP
2

Know your workforce



STEP
5

Communicate
awareness and
availability



STEP
3

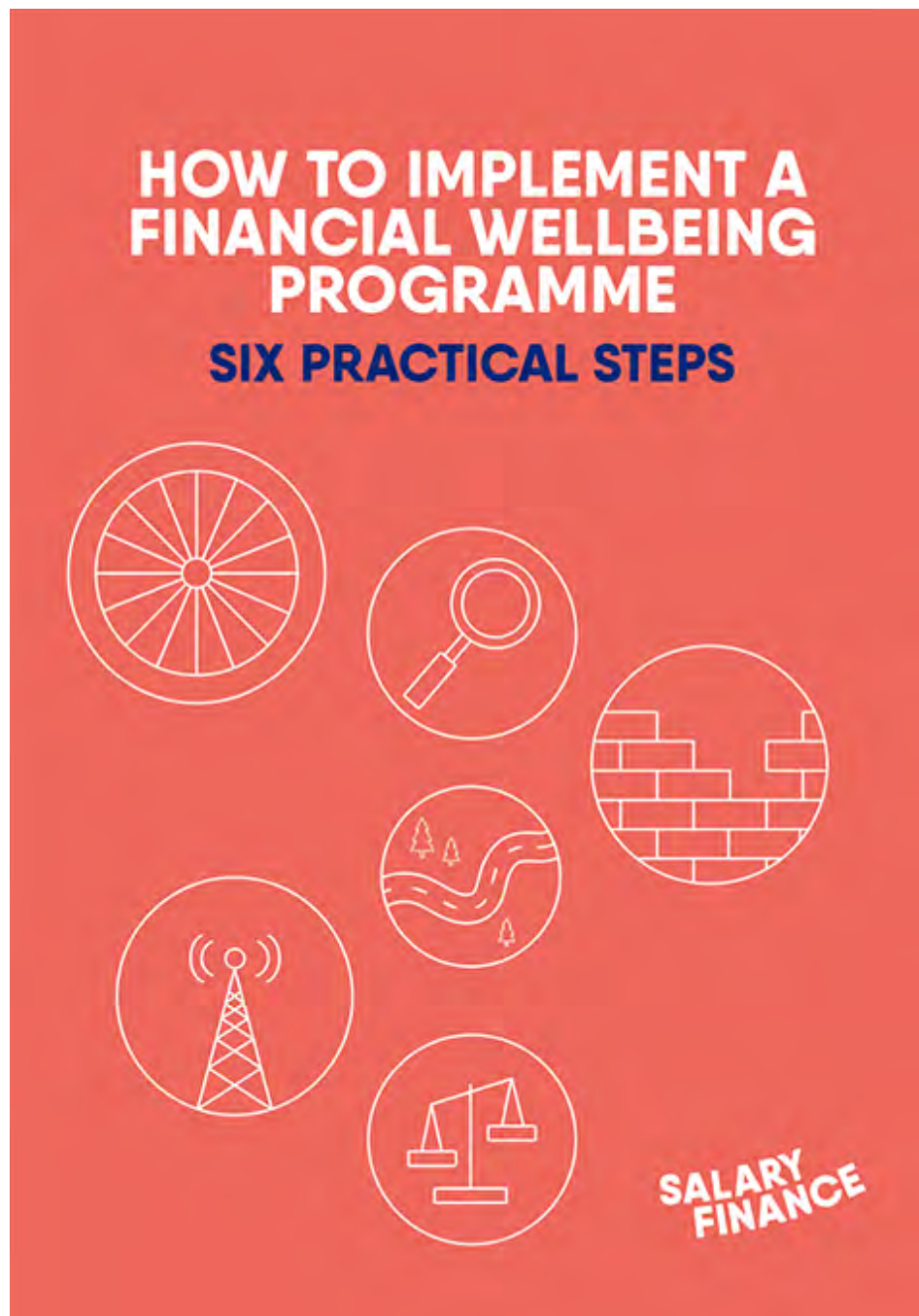
Enable culture
change



STEP
6

Measure the impact

YOUR TOOLKIT



How to implement a
financial
wellbeing programme

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