

Money Wellness: Linking reward, wellbeing and productivity

Joining the dots on your EVP



Understanding Money Wellness



Financial Security

Money wellness means feeling secure and confident in managing personal finances without stress.

Effective Money Management

It involves managing money efficiently through budgeting, saving, and mindful spending habits.

Positive Money Mindset

Having a healthy, positive attitude towards money encourages better financial decisions and reduces anxiety.

Money Mindset and Behaviour



Healthy Money Mindset

A positive money mindset encourages responsible financial decisions and long-term money wellness.

Budgeting and Saving

Regular budgeting and saving are key habits that support financial stability and growth.

Wise Spending

Spending money wisely helps maintain balance and avoid unnecessary debt.

Understanding Money Issues in the UK



Widespread Income Inequality

Income inequality remains a significant issue, with 22% of the UK population living in relative poverty and facing financial hardships.

Struggles with Daily Costs

Many UK residents struggle with daily costs like rising energy bills and rent, affecting their quality of life.

Low Savings Rates

Nearly a third of UK adults have less than £1,000 in savings, highlighting financial vulnerability.

High Earners, Hidden Struggles



Lifestyle Inflation and Debt

High earners may increase spending as income rises, often accumulating more debt and reducing financial freedom.

Financial Stress in High-Income Households

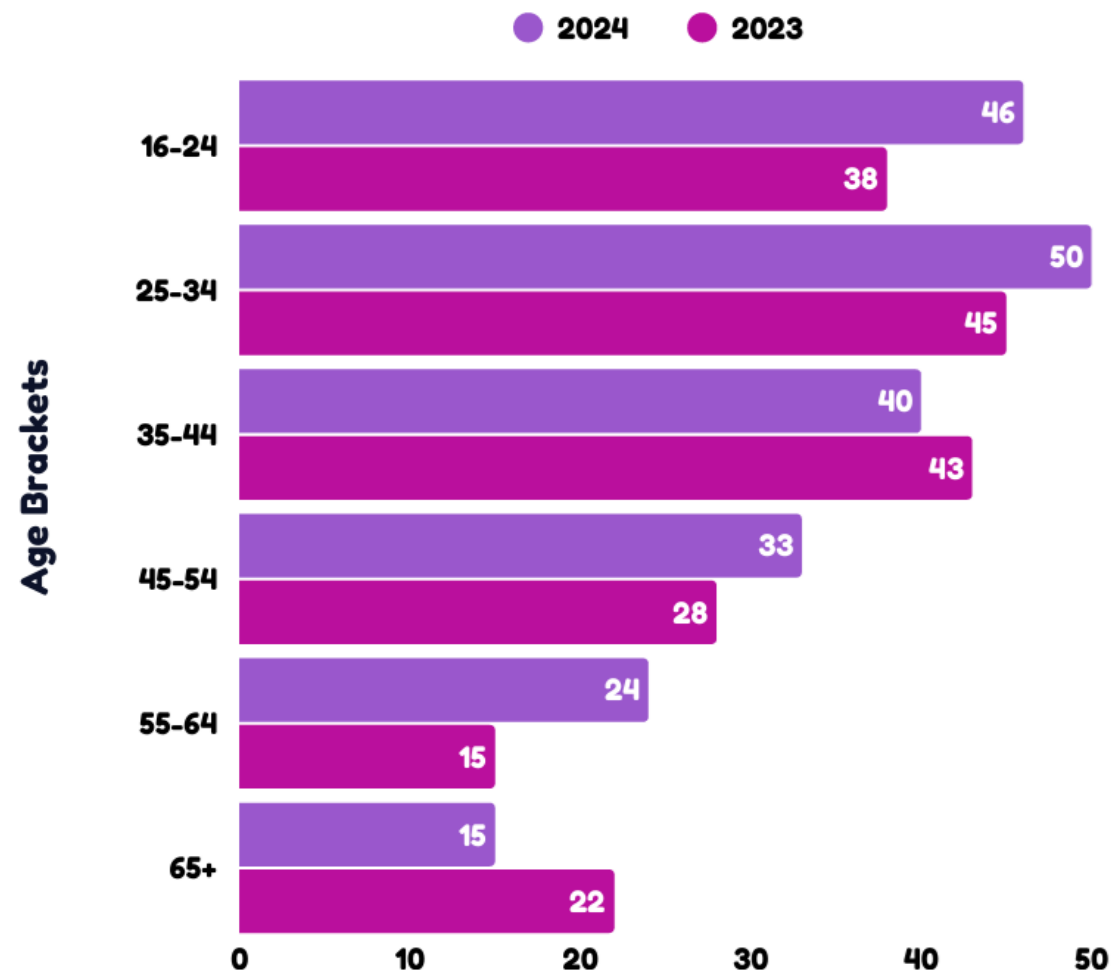
One in four UK households earning over £50,000 experience financial stress due to rising living costs.

Pressure to Maintain Appearances

High earners often feel compelled to uphold a certain lifestyle, impacting savings and long-term financial security.

FINANCIAL PRESSURE BY AGE

Data provided by Champion Health



Money Wellness Drives Wellbeing



Impact of Financial Stress

Financial worries are a top cause of anxiety among UK employees, negatively affecting work performance and mental health.

Benefits of Wellbeing Support

Organisations offering financial wellbeing support experience improved productivity and reduced absenteeism among their staff.

Success of Money Wellness Programmes

Money wellness programmes increase staff satisfaction and retention, supporting a healthier and more stable workforce.

Employers Empower Financial Wellness



Accessible Financial Education

Employers can offer financial education at the workplace, making it easily accessible and highly relevant for employees.

Tailored Financial Guidance

Employers understand their workforce's specific financial benefits and challenges, allowing for personalized support and advice.

Boosts Satisfaction and Productivity

Financial education reduces employee stress, increases satisfaction, and encourages long-term loyalty and higher productivity.

Promoting Financial Literacy



Empowering Informed Decisions

Financial literacy programs enable individuals to understand money management and make better financial choices.

Improving Money Wellness

Better financial knowledge leads to improved money wellness and reduces financial stress.

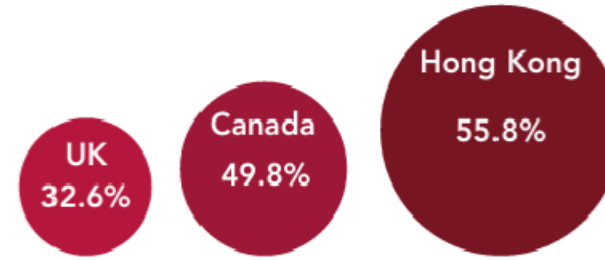
Enhanced Financial Control

Understanding finances allows individuals to manage their money effectively and plan for the future.

Key findings

Financial literacy in the UK

- Financial literacy in the UK is very low compared to other countries and benchmarks.



Respondents scoring in the top cluster in a study of OECD/INFE data

- 20.3 million adults (39%) in the UK don't feel confident managing their money (Financial Capability Strategy for the UK).



- In a range of surveys in the UK testing financial literacy:

73%

fall below a
"good pass rate"
in a recent
Wealthify test.

71%

surveyed by Pay UK
did not understand how
a savings account works.

Only **49%**

passed a recent
Money Literacy Test
(Shepherds Friendly).

46%

of those suffering from
financial problems say
that money management
played a part (The Centre
for Social Justice).

- Financial literacy is even lower among certain groups, including women, those with low incomes or educational attainment, ethnic minorities, young people and older people.

Money Wellness & Productivity



Impact of Financial Stress

Financial worries distract employees and reduce engagement, negatively affecting workplace productivity.

Benefits of Money Wellness

Money wellness improves employee focus, efficiency, and overall productivity at work.

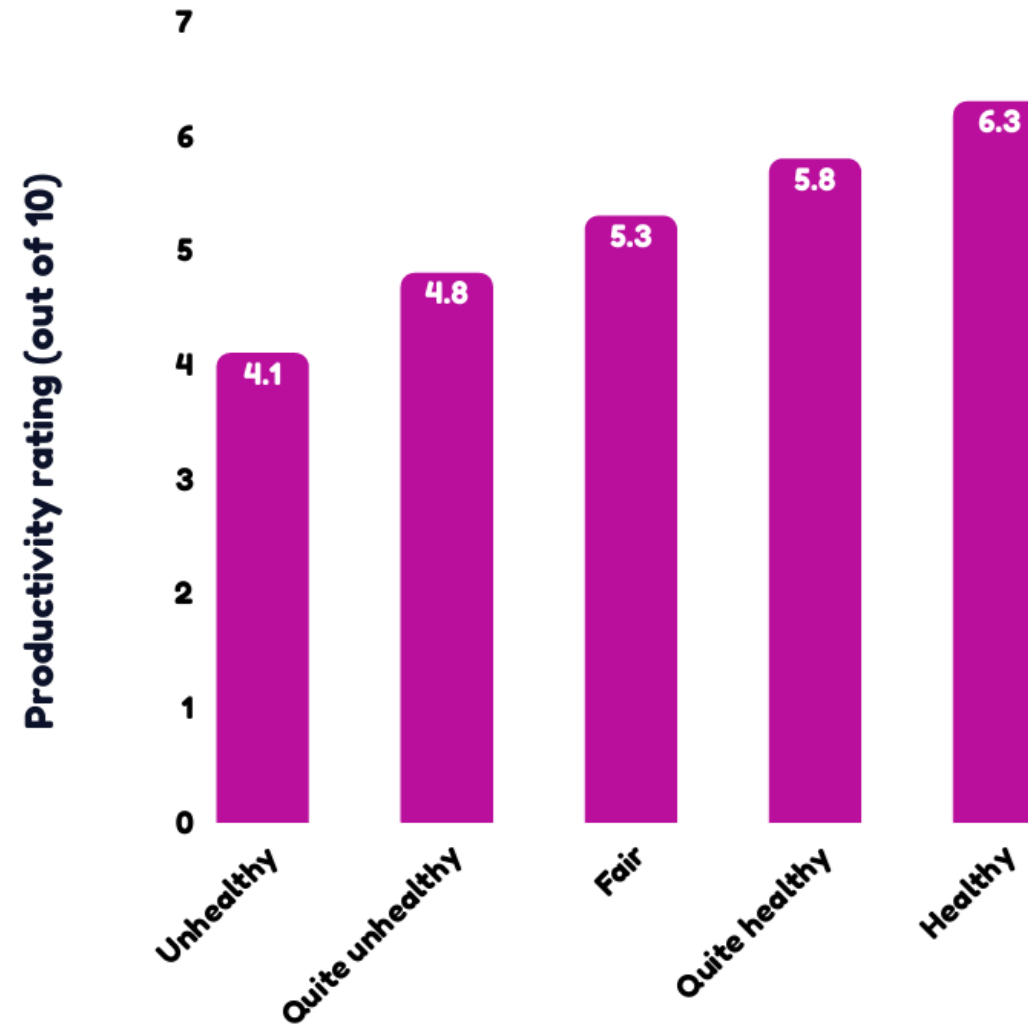
Fostering Money Wellness

Providing financial wellness programs supports employees to reduce stress and enhance work performance.

EMPLOYEE PRODUCTIVITY

Data provided by Champion Health

Relationship with money vs productivity



Financial Education Boosts Satisfaction



Higher Satisfaction With Pay

Employees involved in financial education report higher satisfaction with their pay and career progression within their organisations.

Increased Financial Confidence

A CIPD survey found 61% felt more confident managing their money, which led to greater job contentment overall.

Improved Retention and Morale

Organizations saw improved employee retention and morale after introducing financial wellbeing initiatives in the workplace.



21%

Higher employee engagement brings about a 21% increase in company profitability

Data Source: Gallup

25%

25% say that money worries cause sleepless nights resulting with 1 in 10 taking time off

Data Source: Standard Life

21%

Only 21% of employees say they have a good understanding of their benefits

Data Source: GRID

73%

73% of employees report higher satisfaction with benefits when they're communicated clearly and consistently

Data Source: MetLife

Employers & Money Wellness



Financial Stress Impacts Work

A majority of employees report that money worries affect their job performance, highlighting a growing workplace concern.

Cost to Employers

UK businesses lose over £1.56 billion annually due to money-related employee stress, demonstrating a significant financial impact.

Benefits of Money Wellness

Supporting financial wellbeing can raise productivity, reduce absenteeism, and help retain talented staff within organizations.

**Employees with personalized
financial education are thriving:**

52%
more
committed to
their employer

16%
less likely to
churn

36%
have a stronger
relationship with
their employer



Financial Education Drives Savings



Informed Benefit Choices

Financial education helps employees understand and choose benefits wisely, reducing unnecessary spending and improving financial outcomes.

Reduced Absenteeism

Companies with financial wellbeing programs experience up to 15% lower absenteeism, indicating improved overall employee wellbeing.

Increased Pension Uptake

Enhanced financial literacy increases pension participation and helps retain staff, optimising company benefit expenditure.

Employers: Key to Financial Education



Broad Workforce Access

Employers engage 31 million UK workers, presenting a unique opportunity to deliver financial education on a large scale.

Employee Demand for Guidance

Almost half of UK employees want workplace financial guidance, highlighting a significant demand for employer-led support.

Proven Business Benefits

Financial education boosts employee wellbeing and productivity, as shown by successful workplace programs and positive case studies.

Financial security leads to health security

About half of all employees are extremely or very concerned about finances, particularly regarding covering monthly expenses (48%), having the financial ability to retire (53%) and being able to buy a home (49%).

With pay budgets often limited, employee benefits provide an important avenue for supporting the workforce in addressing these high-priority financial challenges and stressors. Providing and effectively communicating benefits that focus on financial well-being can deliver valuable assistance to employees in a responsible and meaningful way. Financial well-being is integral to both employees' financial security and health security.

Around a third (30%) of employees highly value coaching and education that can help them better manage their finances and a similar percentage (36%) say emergency savings or loan programs would be helpful. However, there is a gap between what employees value and what they report their employers currently offer:

	Helpful to me or my family	Offered by my employer
Emergency savings/ loan programs	36%	21%
Financial coaching and education	30%	19%
Personalized investment advice	29%	18%
Help finding insurance	29%	20%

Impact of Money Worries on Absence and Presenteeism

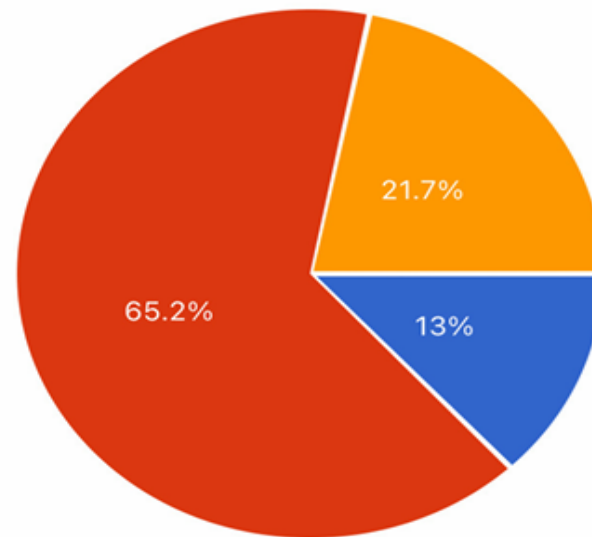
- Financial stress can increase employee absenteeism due to health and wellbeing issues.
- Money worries often lead to presenteeism, where employees work but are less productive.
- Chronic financial anxiety affects concentration, motivation, and overall job performance.
- Employers can support staff by offering financial wellbeing programs and flexible policies.
- Addressing financial stress can improve attendance and enhance workplace morale.



This support has helped me reduce stress and can help improve my focus and performance at work.

23 Responses

Productivity



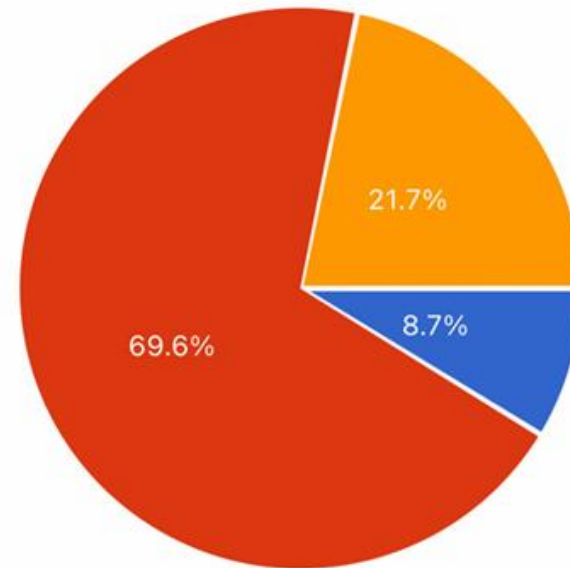
- Strongly Agree
- Agree
- Disagree
- Strongly Disagree


78.2%

This support would contribute to me leaving or joining an employer.

23 Responses

Retention



- Strongly Agree
- Agree
- Disagree
- Strongly Disagree


78.3%

Creating a Supportive Environment



Fair Compensation

Providing fair and equitable compensation boosts employee satisfaction and financial wellness in organisations.

Transparent Communication

Open and honest communication fosters trust and clarity among employees, enhancing workplace harmony.

Wellbeing Initiatives

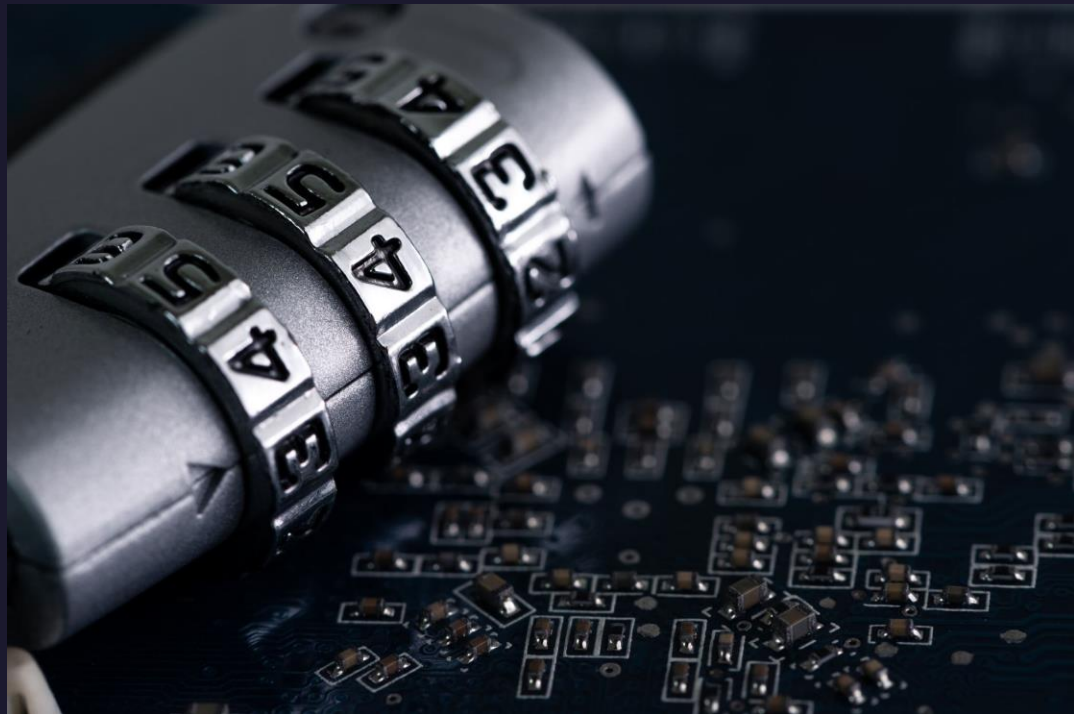
Wellbeing programs support mental and physical health, contributing to a productive and positive work environment.



Impact of Influencers on Employee Financial Wellbeing



- Influencers often promote lifestyle standards that may pressure employees financially.
- Employees may overspend to emulate influencer-driven trends and social norms.
- Financial stress from such pressures can reduce workplace productivity and morale.
- Employers need to understand and address the indirect effects of social media.
- Financial education and wellness programs can help mitigate these impacts.



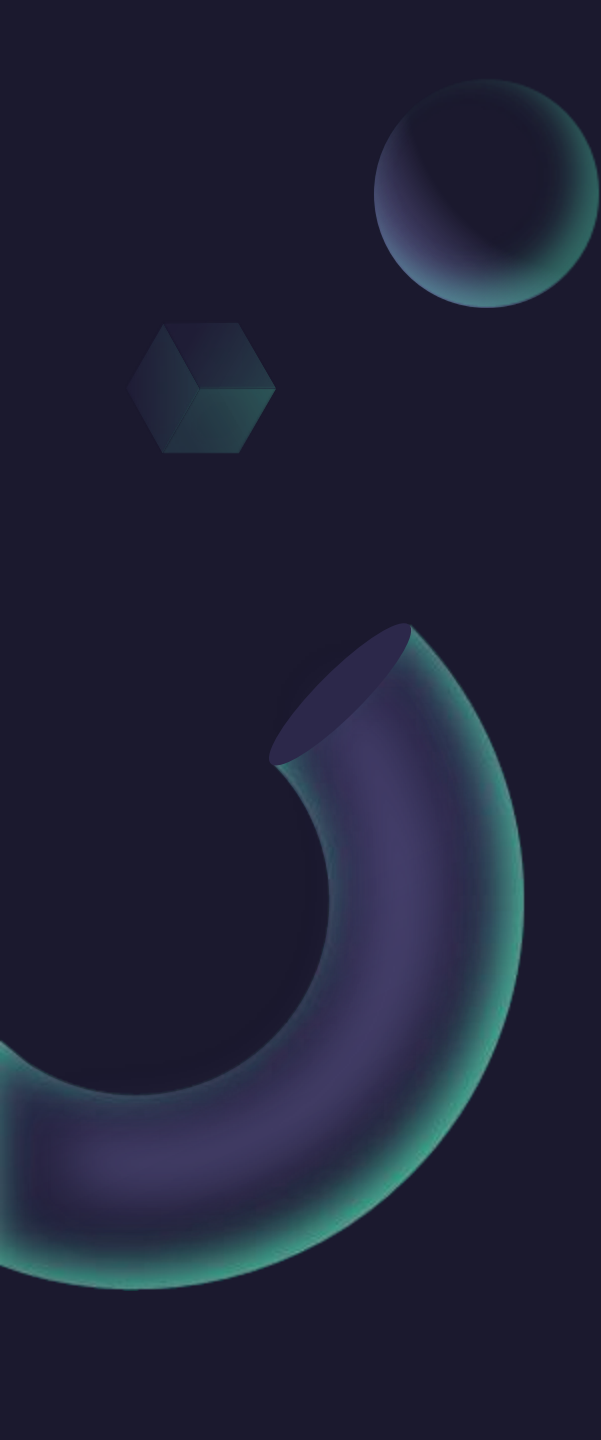
The Role of Money Wellness in Fraud Prevention

- Money wellness improves awareness of financial risks and scams.
- Confident money management reduces vulnerability to fraudsters.
- Educated individuals recognise common scam tactics better.
- Budgeting and monitoring accounts help detect suspicious activity.
- Financial wellbeing supports better decision-making under pressure.



Considering Employee Lifestyles in Money Wellness Programmes

- Employee financial behaviours are influenced by their diverse lifestyles.
- Tailoring wellness programmes increases engagement and effectiveness.
- Understanding work-life balance helps address unique financial challenges.
- Incorporating flexible options caters to varying income and spending habits.
- Lifestyle insights support long-term financial well-being strategies.



1. Gender and financial literacy

A significant gender gap in financial literacy exists in the UK, with women consistently showing lower levels of financial knowledge compared to men. For example, one international study indicates that 'a gender gap is clearly visible for most countries', with the UK having a notable 16% gender gap in financial literacy⁴¹. UBS found that 56% of women do not know how much wealth they can pass onto the next generation, compared to 47% of men⁴², and a survey by the Money and Pensions Service showed that 60% of women lack a plan for their finances in retirement, compared to 44% of men⁴³. Similar patterns are seen in other countries⁴⁴.

Why is this?

Gendered differences in financial literacy are influenced by social norms and household dynamics, with women often not socialised into financial decision-making roles as early as men⁴⁵. These disparities can have long-lasting effects on women's financial knowledge and confidence, which can impact their retirement planning and economic security later in life⁴⁶.

Figure 17: Top five concerns by generation.

	All generations	Gen Z	Millennials	Gen X	Boomers+
1	Financial ability to retire 53%	Financial ability to buy a home 56%	Financial ability to retire 53%	Financial ability to retire 53%	Financial ability to retire 49%
2	Financial ability to buy a home 49%	Financial ability to retire 53%	Financial ability to buy a home 50%	Covering monthly expenses 47%	Physical health decline 48%
3	Physical health decline 48%	Covering monthly expenses 51%	Covering monthly expenses 48%	Physical health decline 47%	Cognitive decline 46%
4	Covering monthly expenses 48%	Physical health decline 51%	Physical health decline 48%	Cognitive decline 46%	Childcare or eldercare 46%
5	Mental or emotional health decline 47%	Mental or emotional health decline 51%	Mental or emotional health decline 48%	Financial ability to buy a home 46%	Covering monthly expenses 44%

In an ideal world, accessible and affordable financial advice should be available to all retirees. Unfortunately, most retirement income systems have not yet reached this point of maturity.

Source: [Mercer CFA Institute Global Pension Index 2024](#)



How Money Wellness Is Influenced by Race and Culture

- Cultural values shape attitudes towards saving and spending money.
- Racial disparities affect access to financial resources and opportunities.
- Some cultures emphasise community support over individual wealth.
- Examples include differing attitudes towards debt and investment risk.
- Financial behaviours are influenced by historical and social contexts.

Employers Driving Financial Wellness

- Employers play a pivotal role in supporting employees' money management skills.
- Offering financial education programs enhances overall workplace wellbeing.
- Providing access to retirement planning aids long-term financial security.
- Workplace benefits like savings plans promote positive financial habits.
- Encouraging open conversations about finances reduces employee stress.



Positive impact on money confidence, absenteeism, productivity and talent attraction/retention



96% feel more confident about their financial wellbeing after our support.



78% feel our support reduced stress and can help improve performance at work.

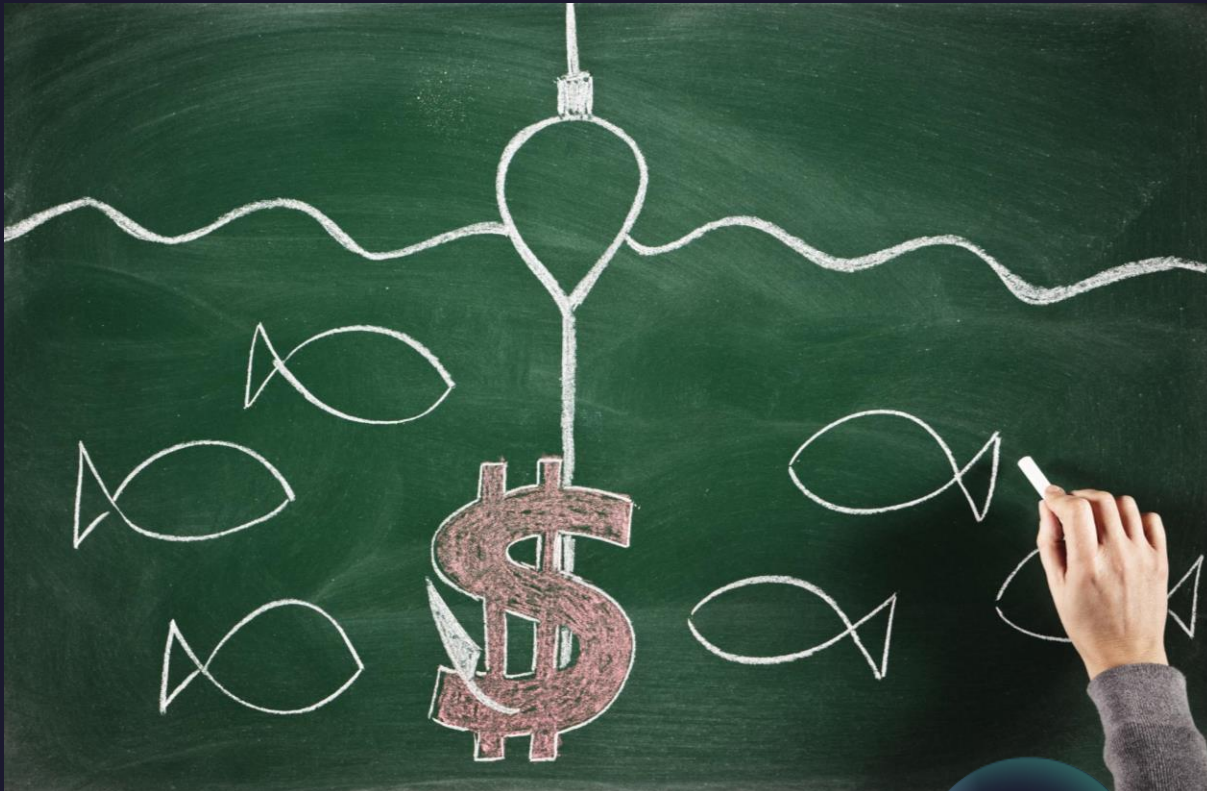


65% feel our support has reduced the potential need to take time off work.



77% believe our support could contribute to joining or leaving an employer.

Conclusion: Linking Money, Wellbeing & Performance



Importance of Money Wellness

Money wellness is essential for supporting both individual wellbeing and organisational productivity effectively.

Role of Rewards and Support

Effective rewards and support nurture the connection between financial health and employee engagement.

Promoting Productive Communities

Understanding this link leads to healthier, more engaged, and productive communities overall.



Want to talk more?



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Find me on LinkedIn

See me at MADworld - 8th October