EMPLOYEE SURVEY REPORT

SPRING 2024

lifetime

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What's on your mind?

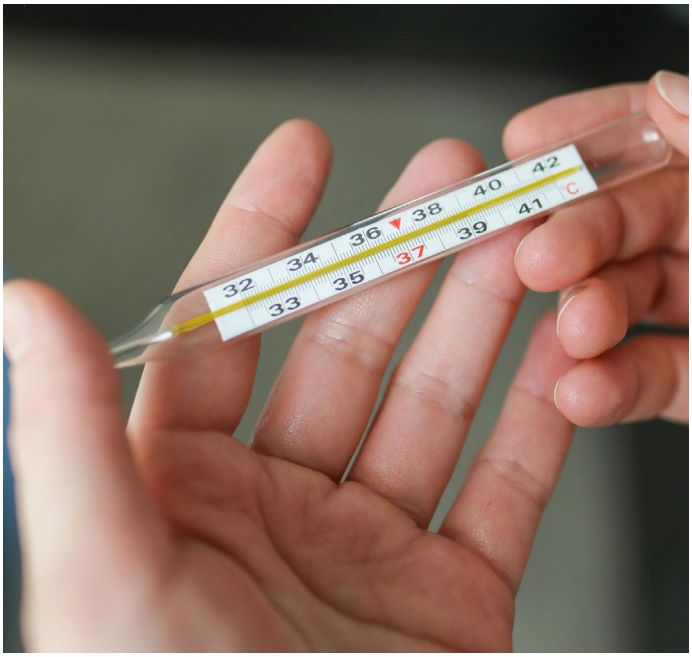
Concerns, hopes and thoughts of UK workers who are grappling with the cost of living, high energy prices, costly interest rates, world unrest, and their own mental and financial wellbeing.

This detailed Lifetime report is the result of an employee survey undertaken in Winter/Spring 2023/2024. We polled thousands of UK workers anonymously on their feelings and goals related to their finances. This document sums up the findings and once again highlights the importance of financial wellbeing, particularly in the workplace.

Our survey is a tool that is used to 'take the temperature' of a workforce – and discover what is on the minds of all employees when it comes to money matters. It gives staff the welcome opportunity to raise the questions, hopes, fears and concerns that they have over

Having worked and lived through the damaging effects of the Covid-19 pandemic, many people would have been forgiven for hoping that the next few years would bring a semblance of peace and prosperity.

Those hopes were dashed by the cost-of-living crisis, which saw a rampant rise in energy bills, the sudden spike in inflation, high housing prices and the noticeable increase in the charge for both food and fuel.



In the years since Covid-19, the cost-of-living has hit UK households hard. And it is a battle that is still being fought as we head into 2024.

Worried workers are looking increasingly at their employers for help, guidance and support.

That means that every employer needs to prioritise how they are going to support their people in the months and years ahead.

For many of us, financial worries directly impact our daily life – and our mental health. People worry about debt, saving for a new home, the cost of raising a family, preparing for retirement, funding relatives in care, losing their job....the list goes on.

Indeed, asked if there was anything that was causing concern or apprehension, the most common answers supplied by employees surveyed by Lifetime were things such as:

- Increased mortgage
- Energy bills
- Payments
- Food
- Christmas and birthdays
- Fuel prices
- Debt
- Car costs
- Cost of living

Most people's financial aspirations centre on having enough money 'to be okay', and to ensure that bills are paid, and on time. This, for many, can make other milestones in life seemingly more difficult to achieve, like buying a home, big holidays, and a content life after work.

Financial wellbeing is the No.1 workplace benefit

Financial wellbeing is now recognised as the number one workplace benefit.

That's a massive sea change from the days when decent discounts at the local gym, savings and shopping, or a cycle-to-work scheme, were seen as the best and in some cases only benefits for staff to enjoy.

Financial health and education, leading to an increasing sense of security, has never been more important.

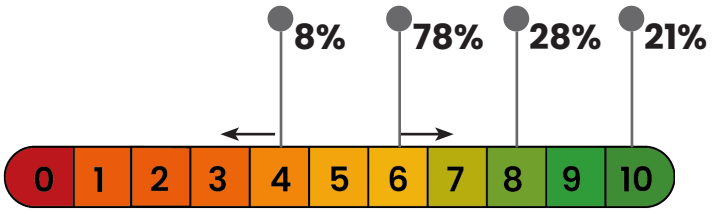
It is important to remember that everyone has the right to feel well.

Getting to know the feelings and emotions you have around money might help you to spot patterns in your behaviour and feel more in control.

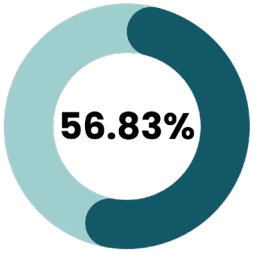
More and more people are acknowledging the need to be financial healthy. This has been driven by a number of factors, including the increasing complexity of the financial landscape, the rising cost of living, and the growing awareness of the impact of financial stress on physical and mental health.

• Asked 'how important do you feel it is to access financial wellbeing benefits in the workplace', on a sliding scale of zero (not important at all) to 10 (extremely important), 31.28% plumped for a rating of 8 or more.

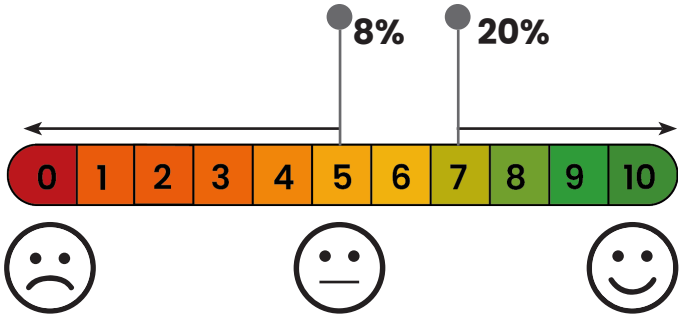
• Only 8% of workers gave the importance of a financial wellbeing benefit a rating of four or under.



56.83% of employees admitted they did not feel comfortable talking to their manager about their financial wellbeing.



Workers were also asked 'how satisfied are you with your overall financial situation?' They were again given a sliding scale of zero (absolutely awful) to 10 (absolutely great) and 38% put their rating at 5 or under. Only 20% of employees surveyed felt satisfied with their financial wellbeing.

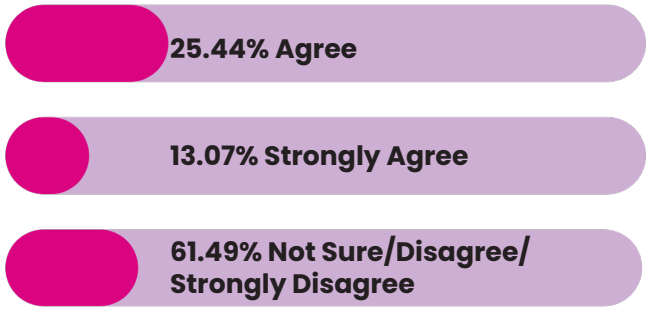


Worrying about money right now – and an uncertain financial future

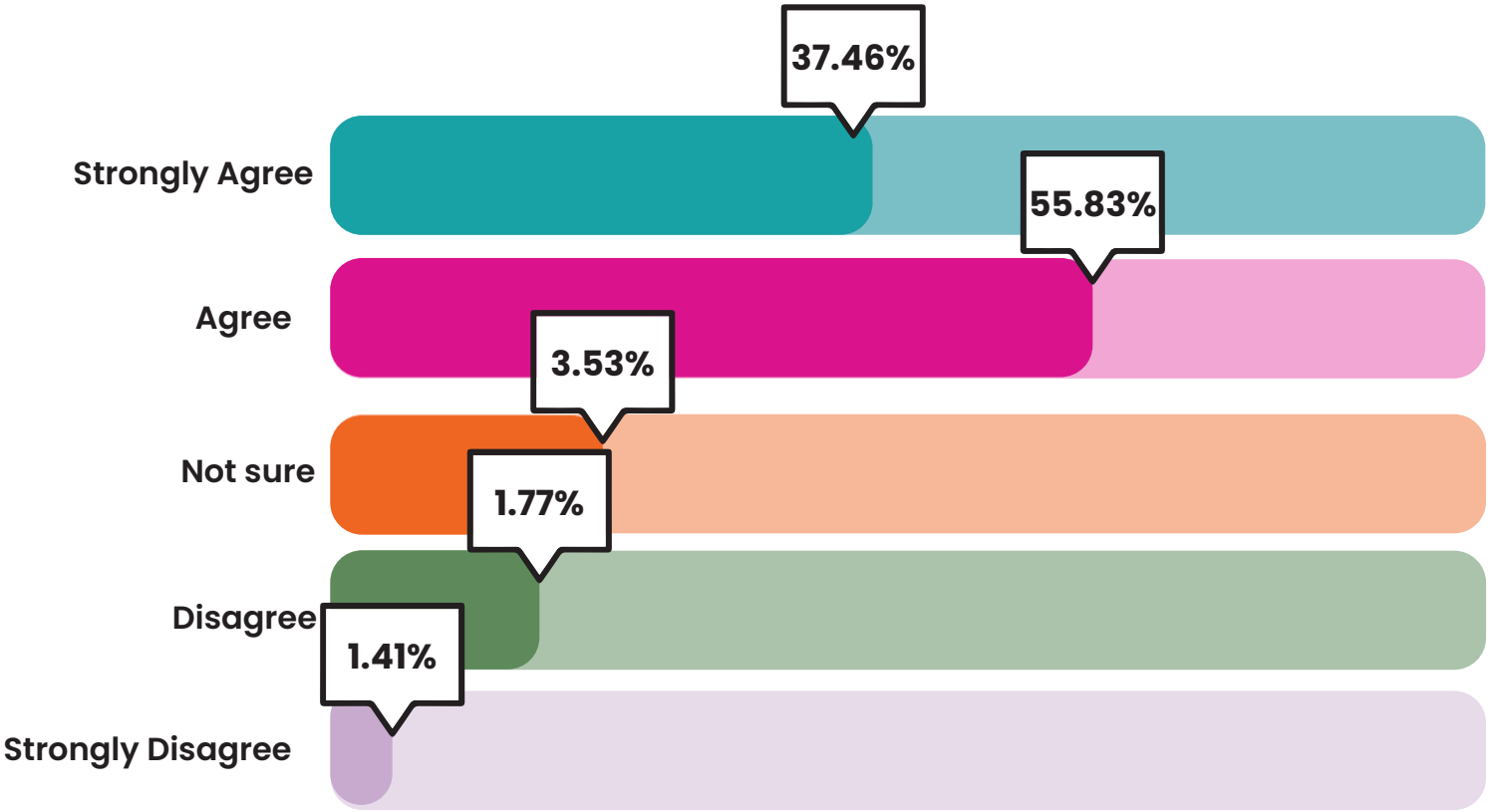
Another key takeaway from Lifetime's survey is that over half of employees admitted – or were 'not sure' - that their current financial situation is 'affecting their future outlook'.

38.51% agreed or strongly agreed with the question 'I feel like my current financial situation is affecting my future outlook'. 20.85% said they were not sure.

Meanwhile, over 90% acknowledged that their financial situation could affect their mental health.

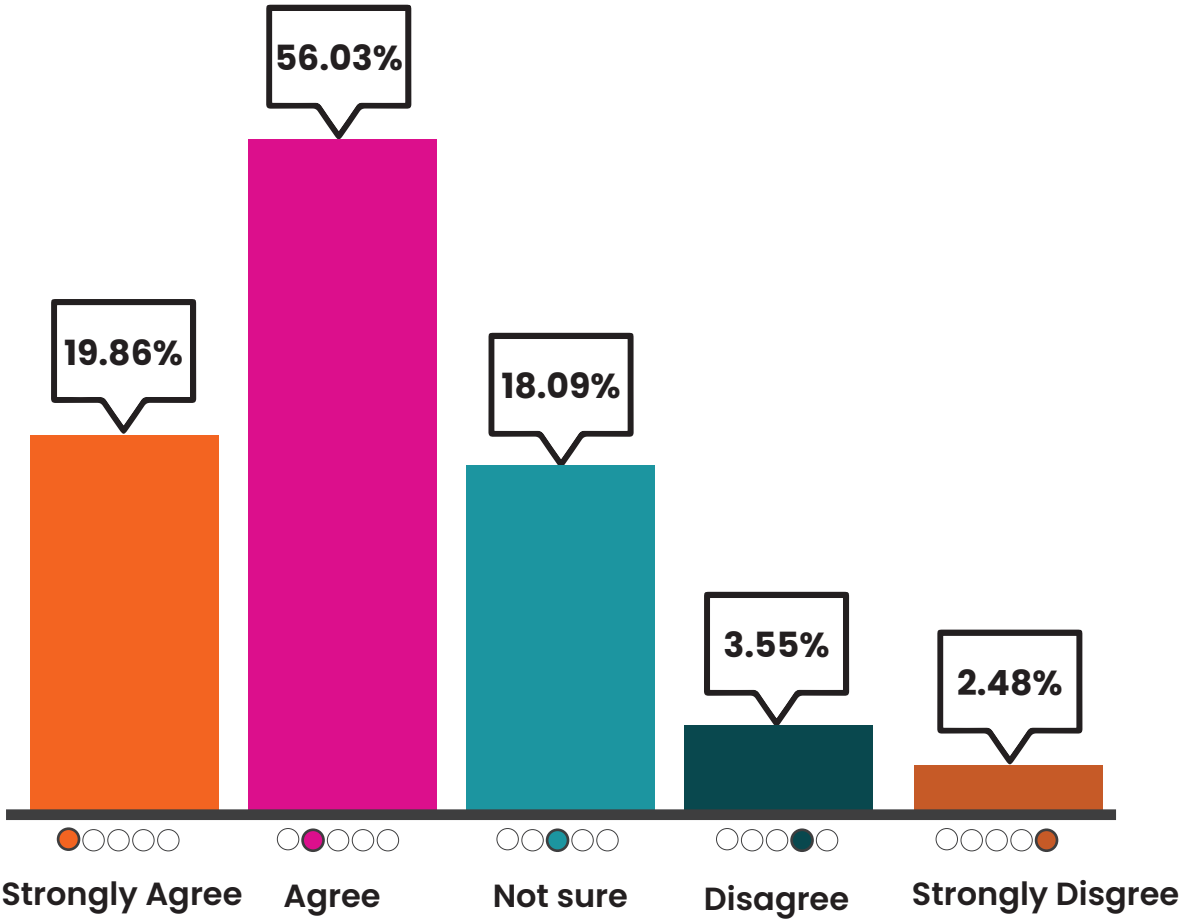


The response to the statement 'I understand how my financial situation can have an impact on my mental health' was:

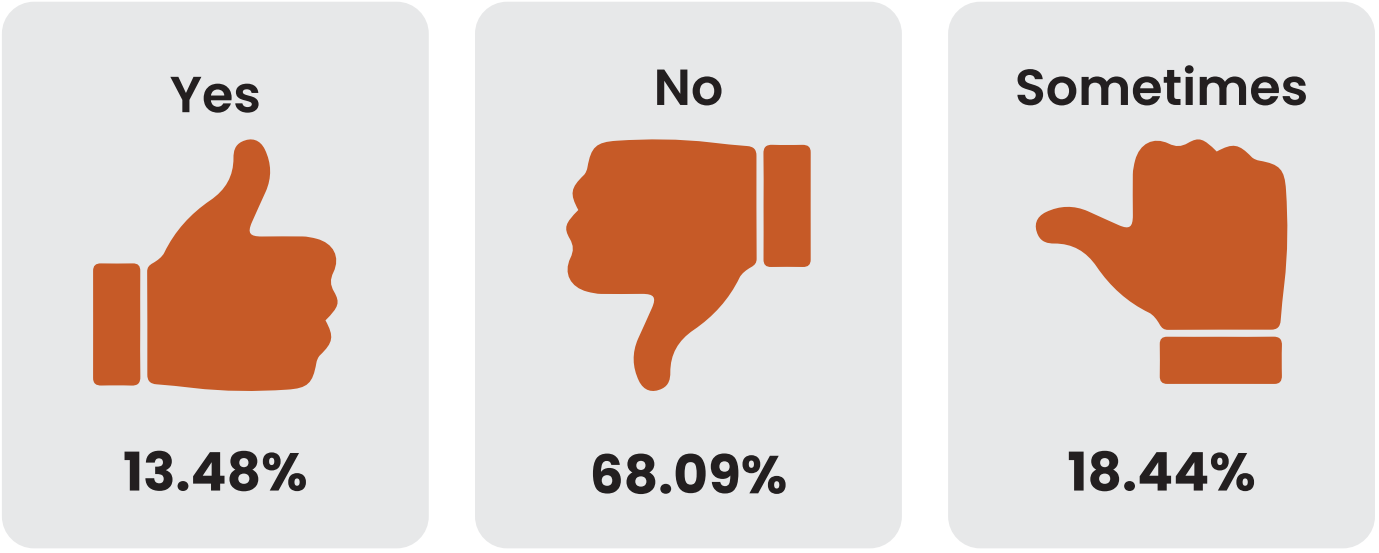


On a more positive note, more than 75% of employees said they understood their finances enough to make confident decisions.

Do you understand your finances enough to make confident decisions?



As for the question, 'do you find yourself using a credit card to pay for basic necessities?' 13.48% said yes, 68.09% replied no, and 18.44% said sometimes.



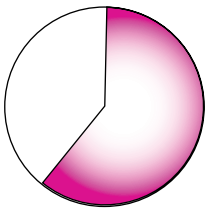
Not being able to save is causing concern

One topic that remains firmly etched in the minds of employees, and is causing concern and worry for many, is 'savings'.

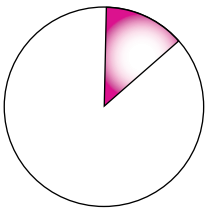
People often find it difficult to know when to start saving, how much you need to put away, and what that money will amount to in the future. And that all comes after discovering whether you can actually save in the first place!

Fortunately, 61% of employees surveyed said they managed to save monthly, while 13% said they saved 'seasonally'. There were 3% who said they saved weekly and 2% said yearly.

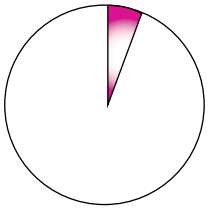
61%
Save monthly



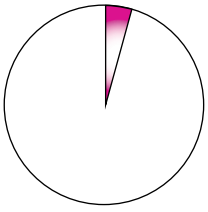
13%
Save seasonally



3%
Save weekly



2%
Save yearly



However, there are still many workers who admit they are not saving at all. 15.25% replied 'strongly disagree' when faced with the assertion 'I am managing to save on a regular basis'.

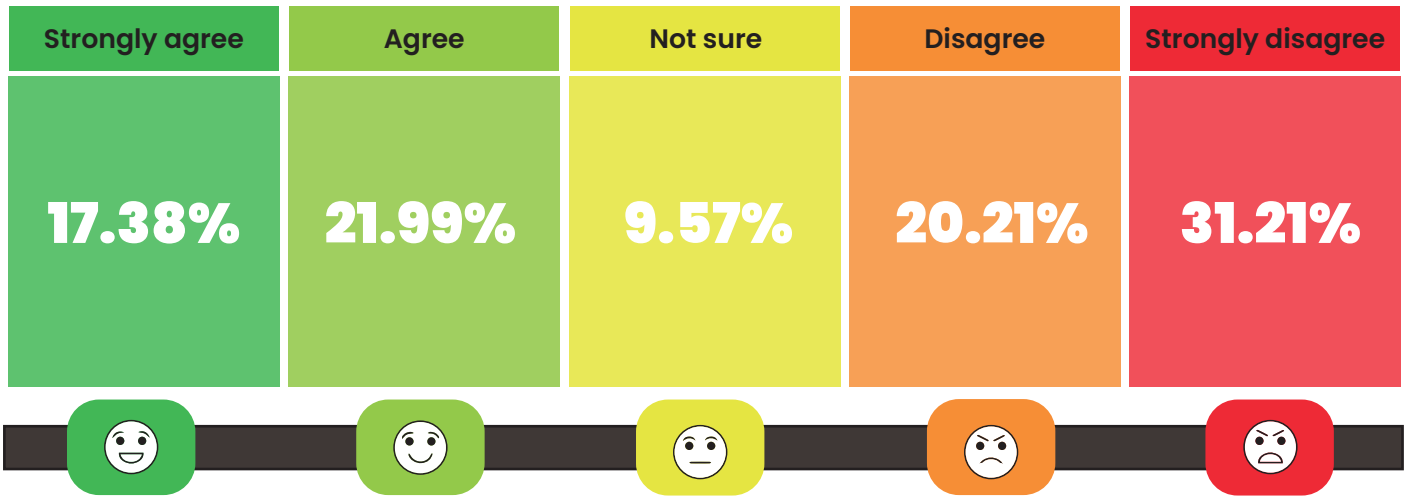
Not managing to save on a regular basis

And 21% of employees responded 'never' to the question 'How often do you manage to save?'. A concerning statistic!

Never manage to save

When asked the statement 'I feel comfortable that I could support three months' worth of outgoings financially if I was unable to work', over half of employees plumped for either 'disagree' or 'strongly disagree'. Worryingly, the biggest group (31.21%) put themselves in the latter bracket (strongly disagree).

Here was the split:



Pensions – wide disparity among employees

There was certainly varying reaction to the statement, 'I understand my pension policies and how they affect my retirement plans'.

That was met with the following response from employees:

- 9.93% Strongly Agree
- 34.40% Agree
- 29.43% Not Sure
- 15.96% Disagree
- 10.64% Strongly Disagree

An integral part of Lifetime's work with employers and their staff is around educational videos and content and the opportunity to have a financial plan, that can help show employees which areas they could perhaps save money to benefit them elsewhere.

Listen to your people

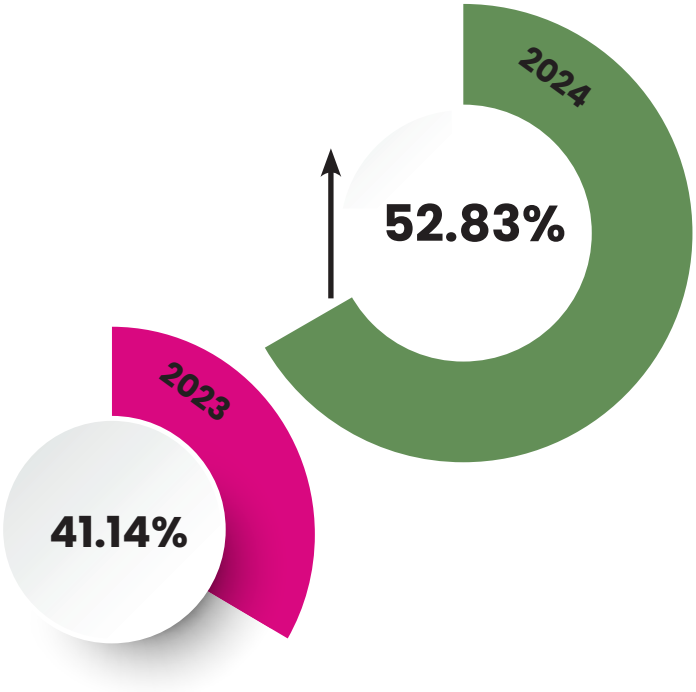
An employer cannot truly support their employees if they don't know what help they really need.

It is so important to listen to your employees. You *listen to understand.*

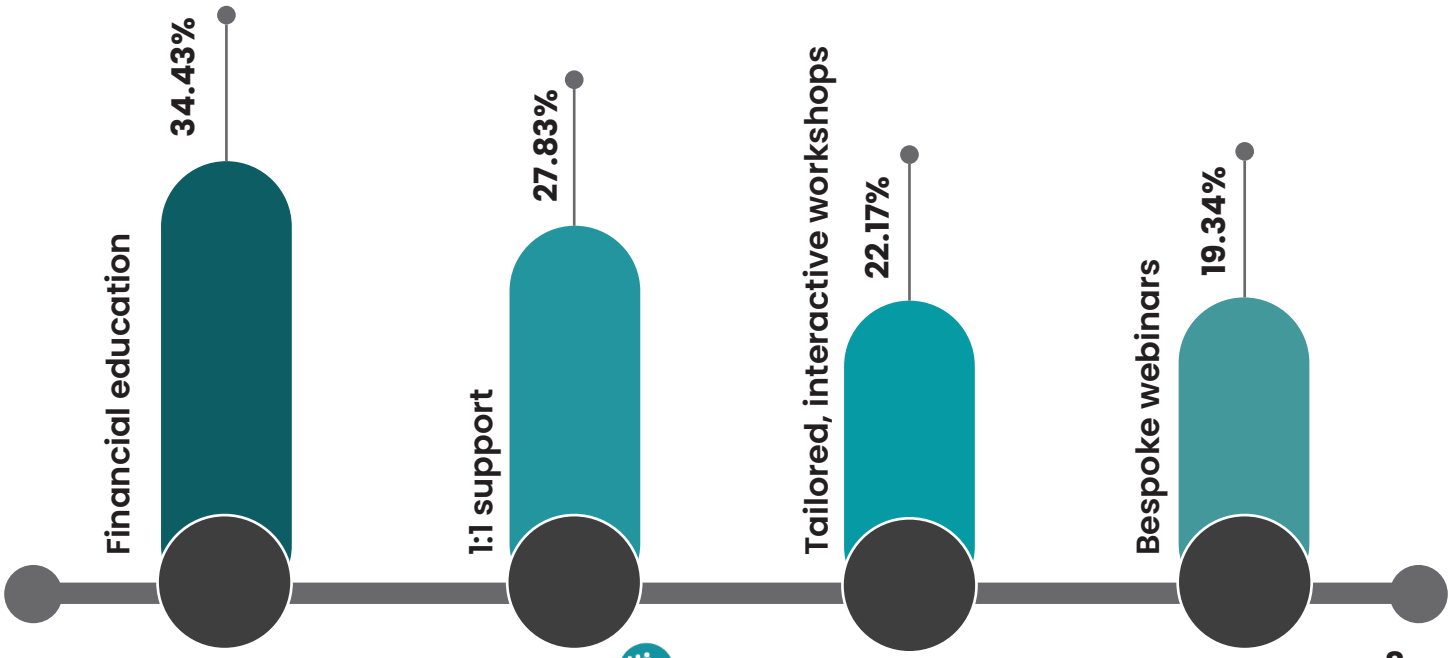
In order to fully plan ahead, and have a programme in place that puts employees' wellbeing at the heart of company policy, an employer needs to know:

- **What employees are feeling**
- **What are the blocks, if any, to productivity, motivation and satisfaction at work**
- **What expectations, concerns, fears and hopes do your employees have about the months and years ahead**
- **What support would make the biggest difference to staff**

Over half of employees (52.83%) said they would benefit from financial planning (up from 41.14% in Lifetime's 2023 winter survey), while 40.09% said they would benefit from 'regular updates'.



Other ways of support employees are looking for include:



And over 90% of those employees surveyed ‘strongly agreed’ or ‘agreed’ with the suggestion that ‘there should be more focus on teaching children about money throughout their education’.

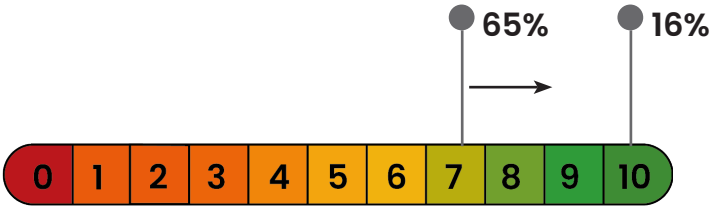
Lifetime has spent years answering the most important questions that employees have. We work closely with employers to deliver digital-first, tailored end-to-end solutions that meet the needs of every employee to improve their financial wellbeing.

That sort of interaction includes an educational hub of videos and written content and tips, various webinars and Q&A sessions, and the key support and guidance offered by a Lifetime coach. Financial education and planning are at the heart of Lifetime’s wellbeing service.

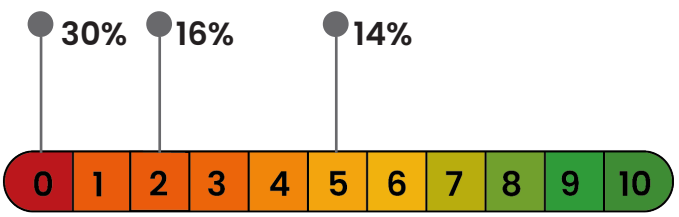
And that clearly is key to the needs and wants of employees.

Those workers who have taken advantage of Lifetime’s financial wellbeing service, have found it worthwhile.

Asked ‘how would you rate the overall experience of your financial wellbeing benefit’, on a sliding scale of zero to 10, 65% of employers gave a rating of 7 or more. 16% gave their experience a 10.



As for the sliding scale question ‘rate how your current financial situation affects your productivity at work’, 30% of workers said zero (it doesn’t at all); 16% went for a rating of two; and the third biggest group (14%) gave a rating of five.



Employees recognise the value of financial wellbeing services

Our survey asked the question 'Why is financial wellbeing important to you?'

Employees were given the opportunity to give multiple reasons.

The response was telling.

Other answers included:

- It would help me know that I'm doing the best for my kids
- It would help me as I need to plan for retirement in 2-3 years
- It will help provide future security for my family

Lifetime's financial wellbeing package is committed to delivering all the above

All this important data is something employers need to take notice of, and take into consideration, as it plays into productivity, employee happiness, succession planning etc.

And helping employees with financial management can ease the burden on business owners, CEOs, HR professionals etc.

Using a financial wellbeing specialist delivers value for both employer and employee and in turn frees-up organisational resources. Recruitment is expensive, especially in the current climate of a talent drought affecting many sectors. Financial wellbeing can help with staff acquisition, retention and succession planning.

Employers want staff who are fully committed and passionately involved in their work (certainly during their working hours). But that equilibrium can be destabilised if employees have financial worries and concerns that affect their mindset and wellbeing. Research shows that a supportive service that gives staff insight, guidance and education on their financial situation, results in a more engaged, happier, and productive workforce.

That in turn brings big benefits for the employer, helping organisations perform better and be more creative, while reducing staff turnover, sickness and absences.

By showing employees how such a service can help them gain full control over their finances, while simplifying issues such as wills, pensions, savings, investments and mortgages, an employer will build trust.

Inaction is not an option – employees are seeking engagement, education and empowerment

Enjoying good financial wellbeing isn't just about debt or about being hard up, it's about engagement with all aspects of your personal finances and how that links to your professional life too. It is about education – understanding and demystifying personal finance, starting with the basics like how to read a pension statement.

It is also about empowerment. Employers who offer financial education and guidance, through online Q&As, workshops or webinars can start to empower their people, helping them not only avoid financial shocks, but also giving them the ability to plan confidently for a bright financial future.

For people to enjoy full financial happiness, a negative money mindset needs to be broken, through financial skills and knowledge.

Lifetime believes that a workplace benefit that includes financial insight, guidance and education can truly improve the lives of employees, and steer them through any troubling times they might have when it comes to money.

Education. Guidance. Help. Support. Advice. The right financial wellbeing service is about all of these things.

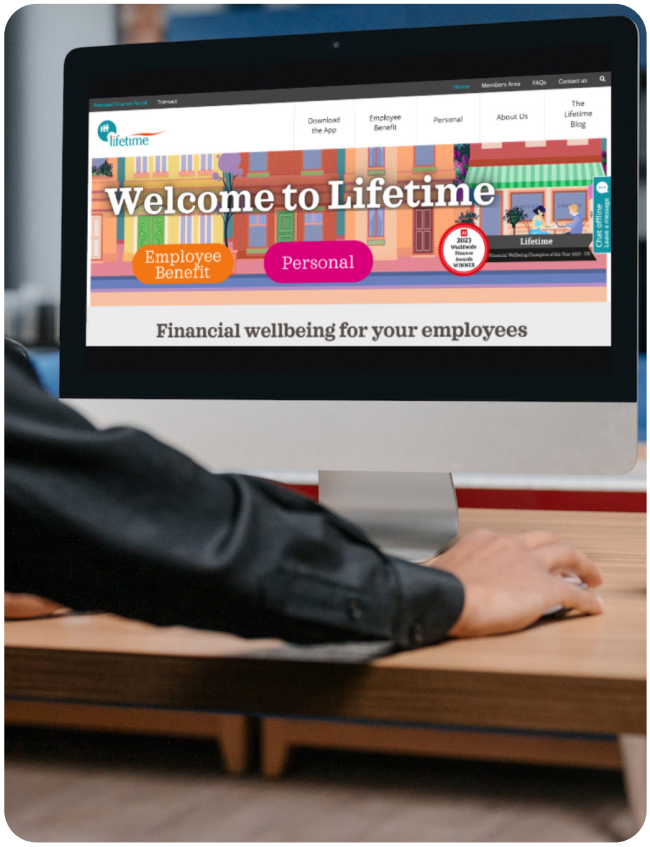
Sadly, many people are left behind when it comes to financial wellbeing. This is often due to a lack of access to the tools and services they need to succeed. We believe that by working together, we can create a more financially inclusive world where everyone has the opportunity to thrive.

What Lifetime's financial wellbeing package brings employees:

Personal financial plans	Your own bespoke learning hub, with your branding and tailored content	Webinars throughout the year	One-on-one support for employees through their personal coach
A dedicated engagement manager to support you and your team	Access to a financial planner who can implement any recommendations and deliver potentially life-changing advice	Monthly educational content for employees	Downloadable tools and resources
A monthly jargon-free article on news and current events	Regular engagement reviews	Annual surveys	

Creating a bespoke financial plan, depending on an employee's age, needs, life stage and the sector they work in, helps staff fully understand their future wealth, take control of their lives in the present, and make good financial decisions for the future.

It will provide clarity and enable employees to make informed choices.



Financial health is important. To you. To us.

Thank you for reading our latest report, summing up the findings based on the survey that was sent out to current employees. If you would like to book a demo about how a financial wellbeing service can benefit your organisation then please click here:

Get in touch

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