ANNUAL EMPLOYEE SURVEY REPORT

SPRING/SUMMER

2023

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SPRING / SUMMER REPORT

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01

Employee Survey Report 2023

Highlighting the concerns, hopes and thoughts of UK workers who are battling to deal with the cost of living.

This detailed Lifetime report is the result of a bi-annual survey. We polled almost 7,000 UK workers (up from 3,000 in 2022) anonymously on their feelings and goals related to their finances. The report sums up the findings and once again highlights the importance of financial wellbeing, particularly in the workplace.

Lifetime's Employee Surveys are a tool that is used to 'take the temperature' of a workforce – and discover what is on their minds when it comes to money matters. It gives staff the welcome opportunity to raise the questions, hopes, fears and concerns that they have over their personal finances.

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 sense of peace and prosperity.

Those hopes have been dashed by Russia's invasion of Ukraine and the subsequent economic upheaval, the rise in energy costs, the sudden spike in inflation and the noticeable increase in cost of both food and fuel.

The cost-of-living crisis has hit UK households hard. And it is a battle that is still being fought as we head further into 2023.

Worried workers are looking increasingly at their employer 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.

In the midst of the cost-of-living crisis and highest inflation rates in many years, employees are in need of more financial wellbeing support from their workplace than ever.

Yet far fewer employers have a *mature financial wellbeing strategy* in place compared to a *mature mental wellbeing strategy.*

For many of us, financial worries directly impact our daily life – and our mental health. People fret 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.

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 contented life after work.

02

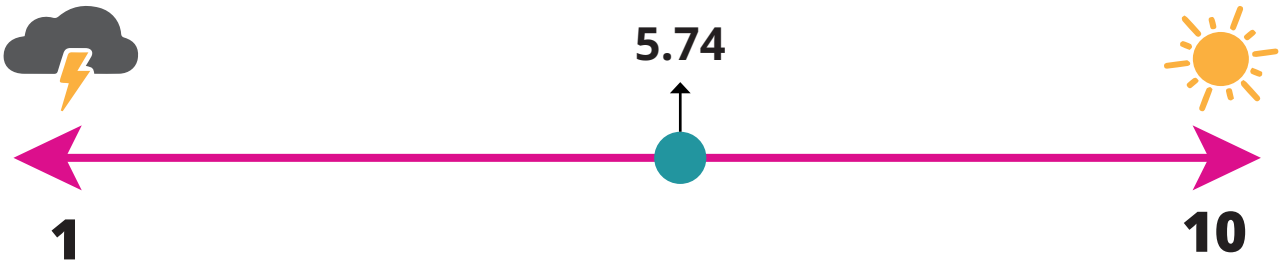
Financial wellbeing is now the No.1 workplace benefit

EMPLOYEE BENEFITS

Financial wellbeing is now recognised as the number one workplace benefit. That's a massive sea change from the days when decent discount 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.

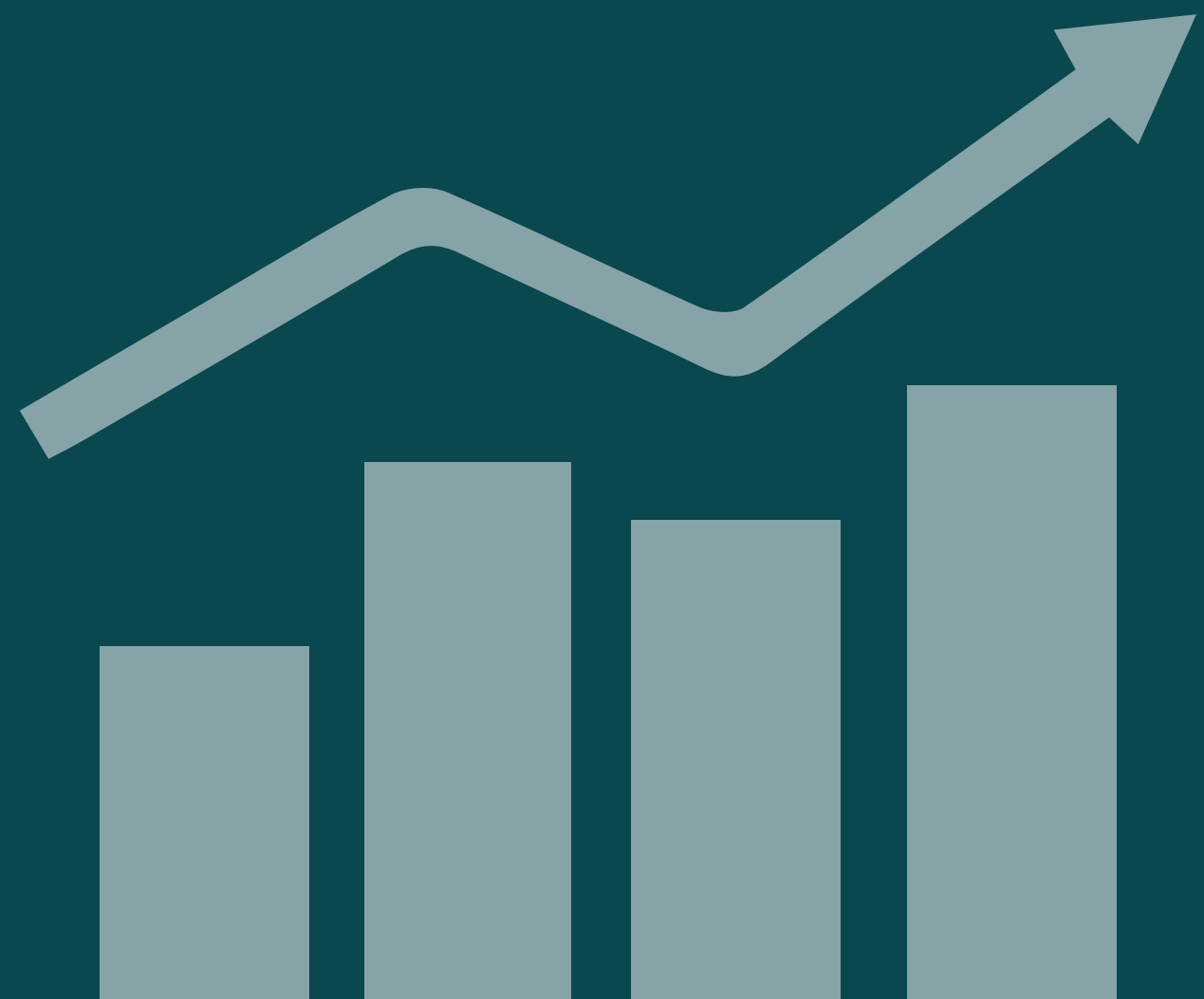
Yet **13.18%** of employees in our 2023 Spring/Summer Survey admitted to needing to get their finances in order but didn't know where to start.



Workers were also asked 'how would you rank your financial wellbeing?' They were given a sliding scale of zero (feeling absolutely awful) to 10 (feeling great) and the overall ranking was only just above halfway, at 5.74.

03

Grappling with the cost of living



Two of the key takeaways from Lifetime's latest survey...

a whopping

93.68%

of employees feel that the current cost of living has made them think about their finances much more.

Do you have a plan for the next 12 months to help you navigate the cost of living crisis?

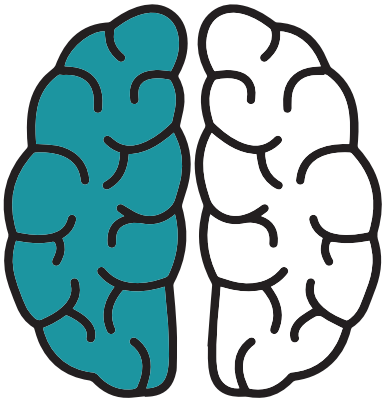
Over half

66.44%

How do you think the cost of living crisis has affected your finances?

54.49%

of those employees surveyed admitted that it has made them worry about their finances more.



while just over half

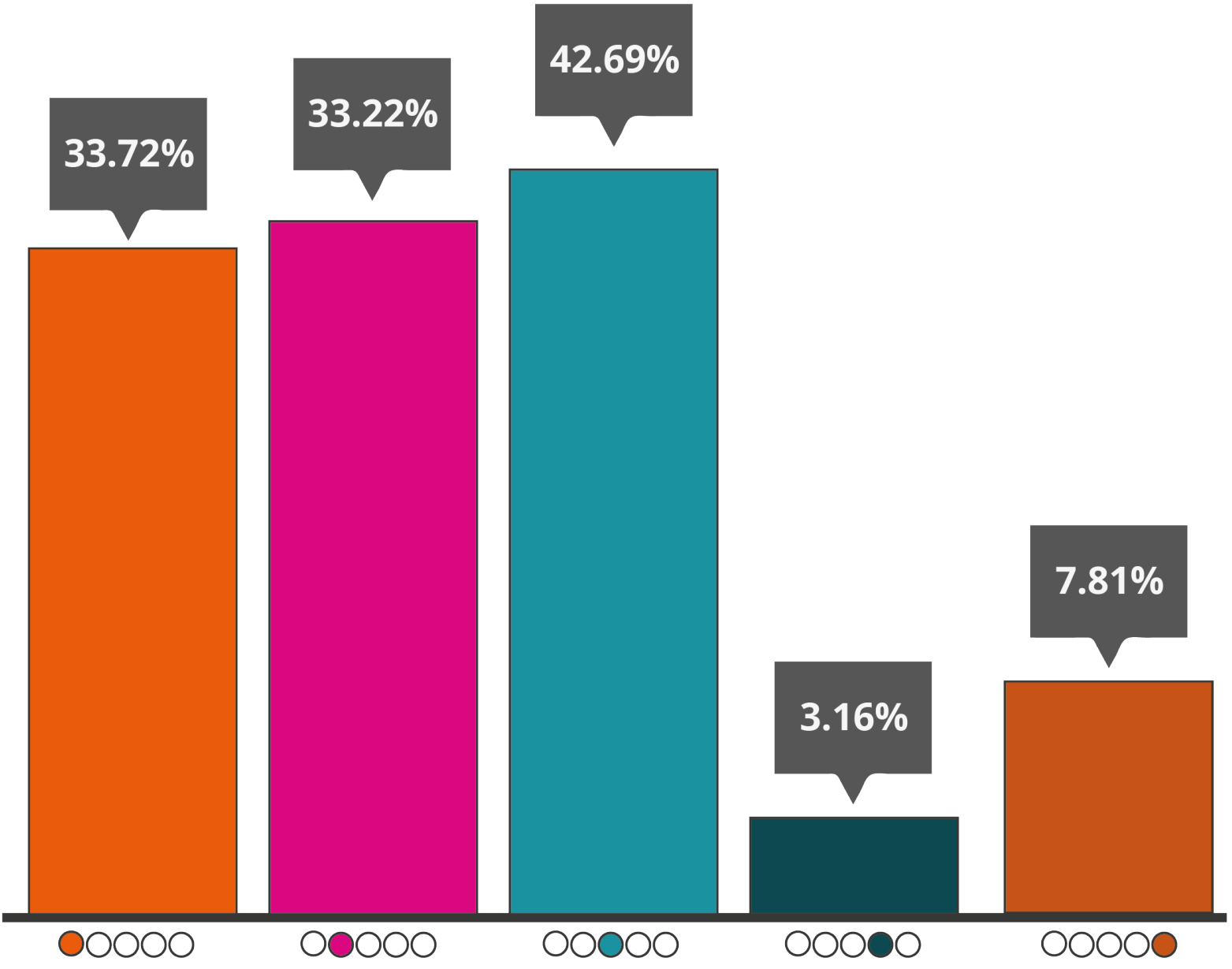
(51.66%)

said that the cost of living had forced them into making much 'smarter decisions' with their finances.

That pertinent question, **'How do you think the cost of living crisis has affected your finances?'**, led to further interesting feedback from workers.

KEY

- It has restricted them from doing what they want.
- it has had a 'significant impact' on their finances.
- admitted to having to make a few cutbacks but were 'okay'.
- Admitted to struggling financially and not knowing where to turn.
- Said that the cost of living crisis hadn't affected them.

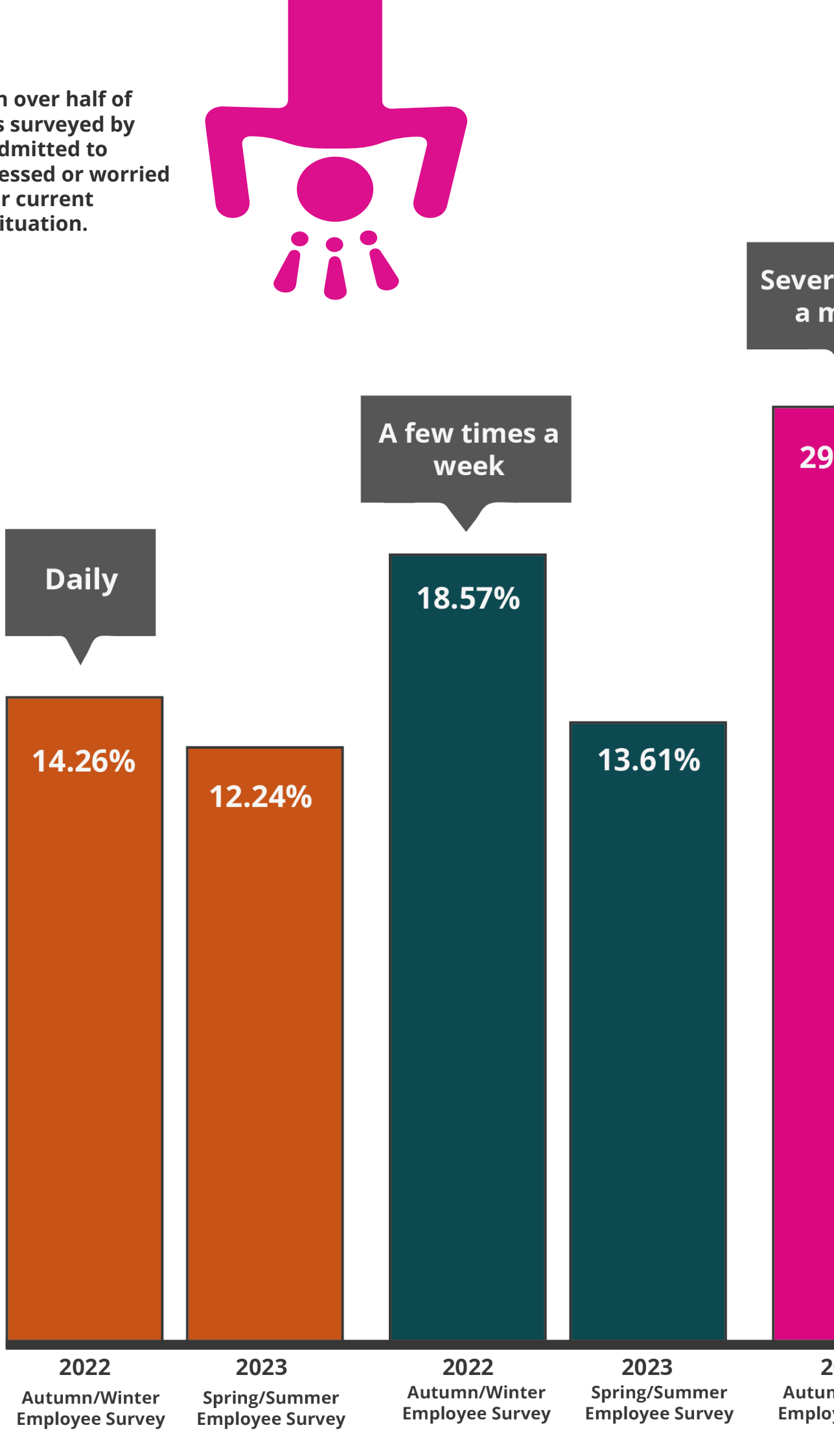


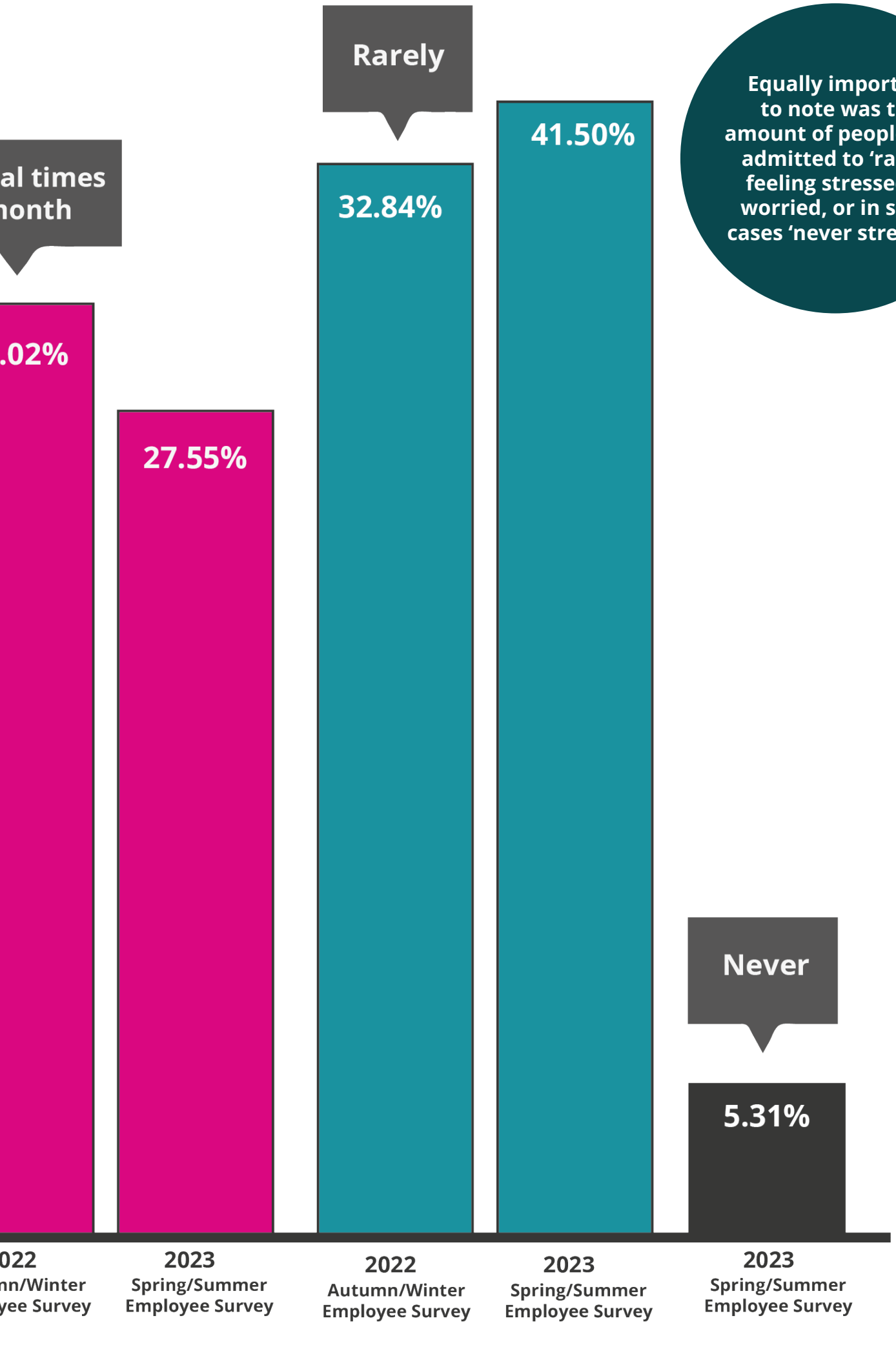
It is interesting to note, however, that some employees felt the current cost of living had not really impacted on their work. On a sliding scale of zero (not impacted at all) up to 10 (severely impacted upon my work) the overall figure reported was 3.19%.

04

Worrying about money right now – and an unsure financial future

Once again over half of employees surveyed by Lifetime admitted to feeling stressed or worried about their current financial situation.





Equally important to note was the amount of people who admitted to 'rarely' feeling stressed or worried, or in some cases 'never stressed'.

Do you worry about your financial future?

12.52%
NOT ABLE TO MANAGE OR OVERCOME DEBT

9.63%
SAID NO

28.57%
SAID YES

61.79%
SAID SOMETIIMES

14.02%
NOT ABLE TO MEET MONTHLY EXPENSES

05

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 support would make the biggest difference to staff**
- **What expectations, concerns, fears and hopes do your employees have about the months and years ahead**

Lifetime partner with employers to deliver an innovative financial wellbeing package for their staff.

We have 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.

Based on how you feel right now, which of the following would you benefit from?

Approaching half of employees

41.14%

said they would benefit from financial planning.

39.05%

said they would benefit from various tools, for example budgeting and savings tools.

Other benefits employees are looking for include:

- **Financial guidance (asked for by 33.71%)**
- **Blogs/Articles, e.g. important information and insights from the finance industry (27.43%)**
- **Financial education (20.95%)**
- **1:1 support (17.14%)**
- **Wellbeing sessions (15.24%**

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

Financial concerns can arise at any time and so the capacity to address them should be available on-demand and round the clock.

29.35% admitted that they were working 'pay cheque to pay cheque', an increase on Lifetime's Autumn/Winter Survey figure of 26.09%.

Another interesting question posed in this latest survey was...

'Do you feel limited in your career prospects?' 25.21% of employees responded yes, up from 21.69%.

06

Not enough savings is causing consternation

One topic that remains firmly in the minds of employees, and is causing consternation for many, is ‘savings’.

People often find it difficult to know where 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!

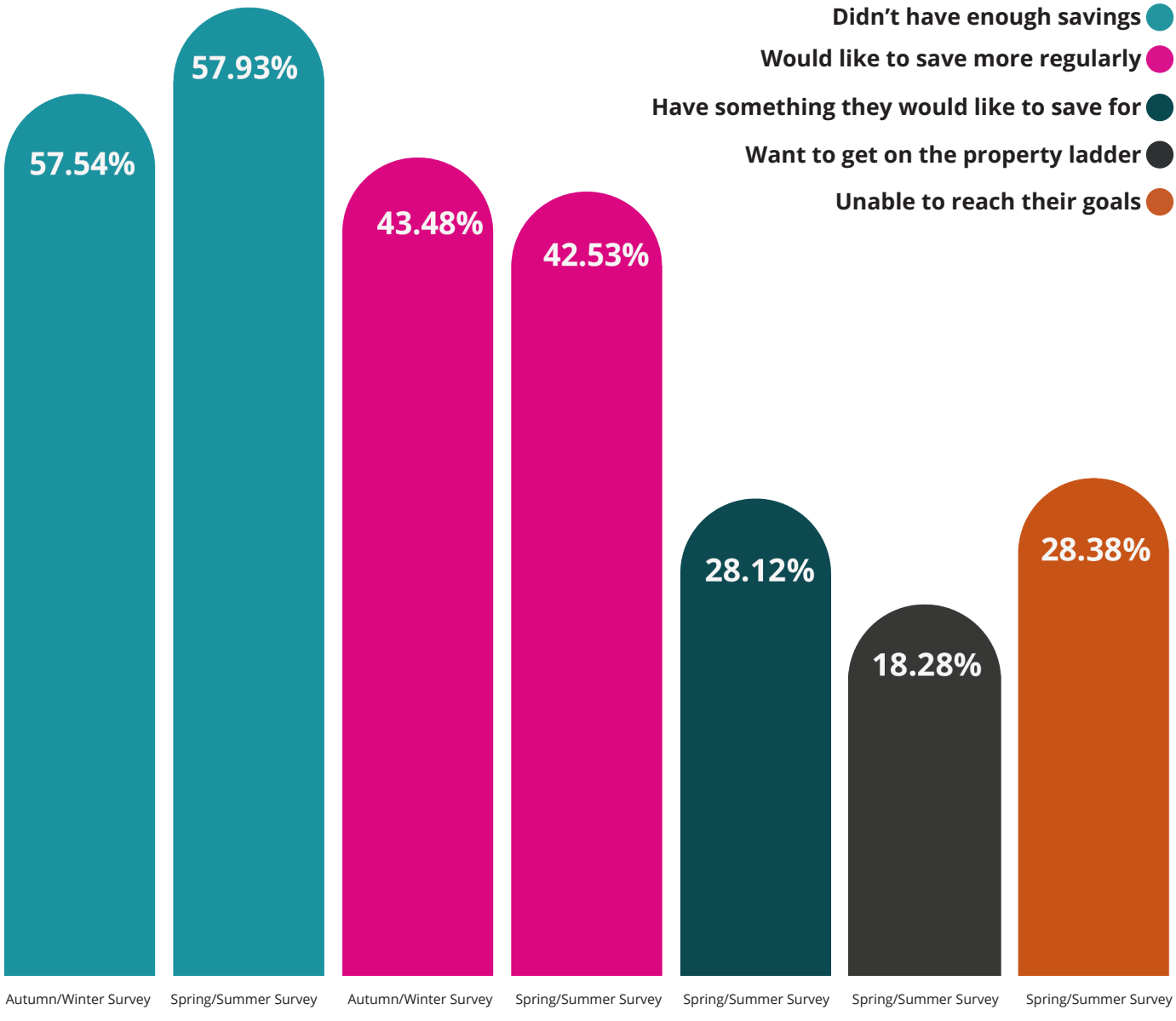
In Lifetime’s Autumn/Winter Survey, 57.54% of employees admitted to feeling that they didn’t have enough savings. In this latest report that figure has gone up slightly to 57.93%.

However, an integral part of Lifetime’s work with employers and their staff centres 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 in order to benefit them elsewhere.

So it is perhaps encouraging that in our latest survey, 42.53% said they would like to be able to save more regularly, a drop from 43.48% last year.

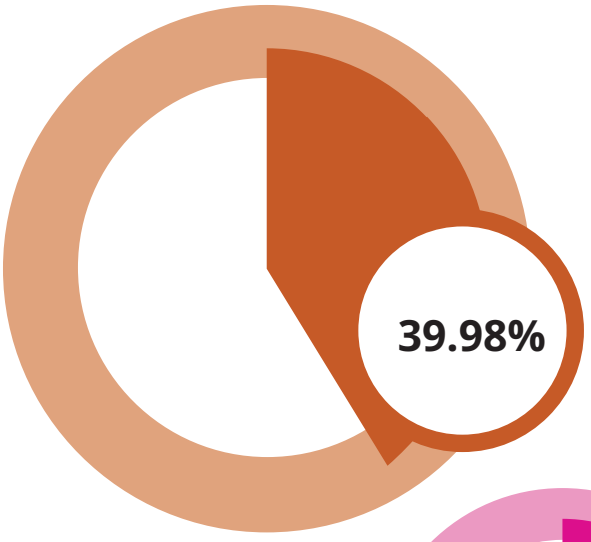
28.12% said that there was something they needed to save for.

18.28% of employees said they wanted to get on the property ladder, yet 28.38% admitted to feeling that they were unable to reach their goals, which included buying a house.

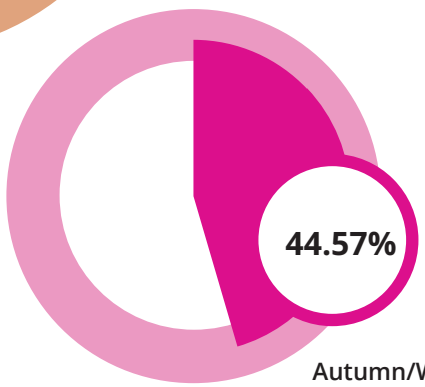


07

Worries over when and how to retire



Spring/Summer Survey



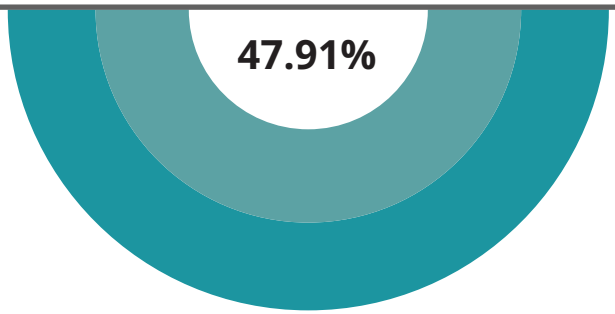
Autumn/Winter Survey

39.89% of employees who responded to the survey (ages ranging from under 25s all the way through to over 55s) said they needed to start planning for retirement.

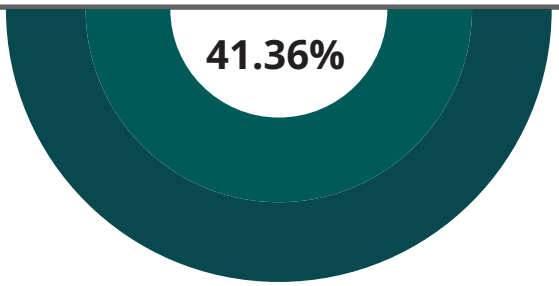
That is a drop from the figure of 44.57% from our Autumn/Winter Survey (Lifetime provide support, guidance, tools and expert advice for retirement planning within our financial wellbeing package).

However, 47.91% felt that they wouldn't be able to retire when they wanted to, a rise from 41.36% in Autumn/Winter 2022.

That is perhaps a clear indication that the cost-of-living crisis is making a large number of people feel they have to keep working and not retire when they had originally planned.

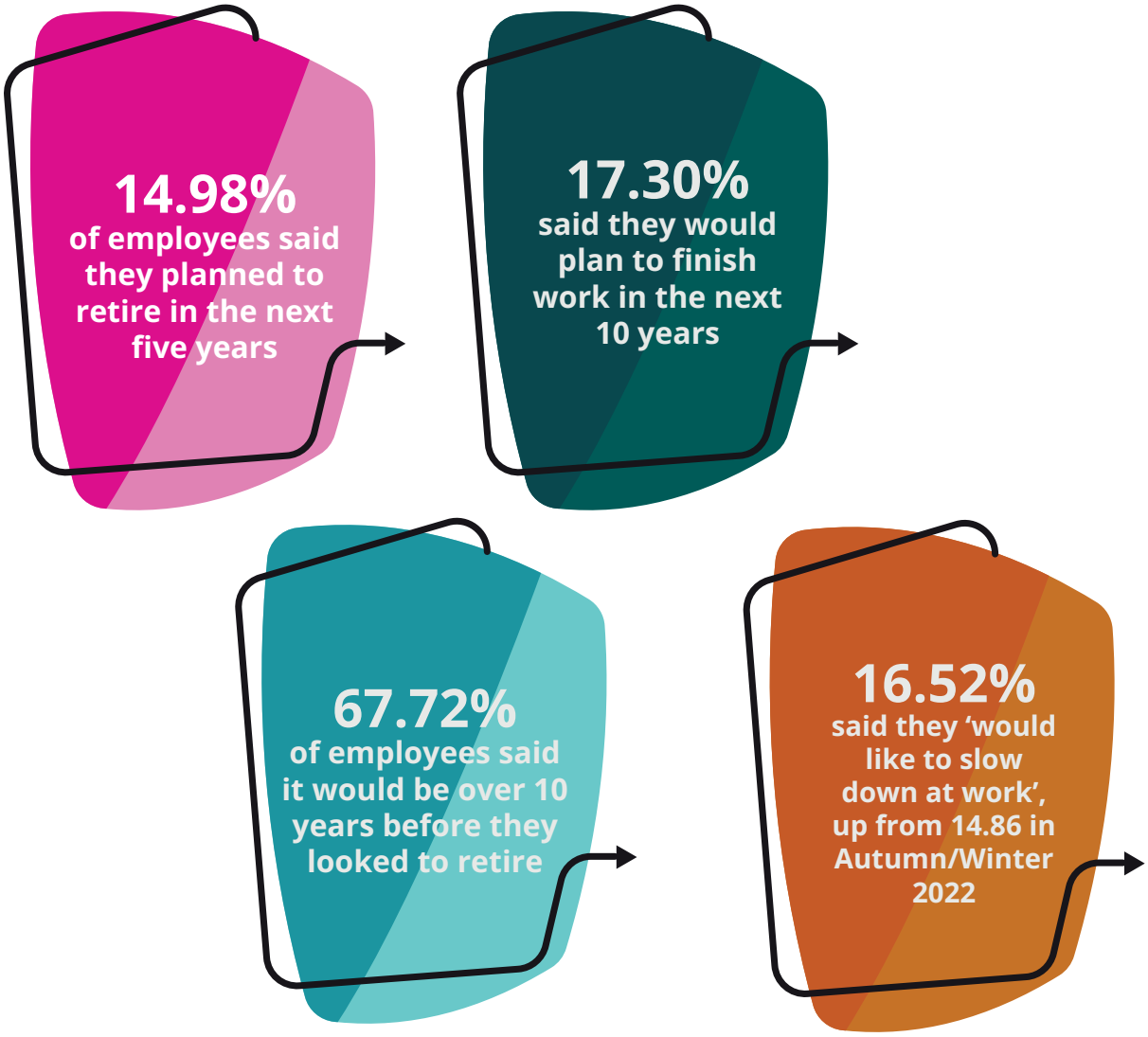


Spring/Summer Survey



Autumn/Winter Survey

Key Takeaways



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. If an employee is looking to 'slow down at work' then what does that mean? Do they want to cut their hours? Can they afford to go part-time? And how does all that play out in the overall structure of the company?

If more mature staff have a clearer understanding about when they can retire and have been assisted in planning accordingly, this can mitigate issues around demotivated staff 'hanging on' for retirement.

Lifetime's financial wellbeing package looks at all aspects of an employee's financial circumstances, and the personal financial plan incorporates any retirement proposals.

Understanding what retirement might look like helps to identify if an employee can retire earlier or if they could be doing more with their money now in order to benefit later.

Lifetime's detailed research and advice can help employees plan for the future with confidence by making informed decisions. We can look at the impact of retiring at different ages and how this would look for an individual.

08

What have employees experienced in the last 12 months?

Other notable points that employees responded to came in conjunction with the question...

'Which of the following have you experienced in the last 12 months?'

1. **Feeling behind financially in comparison to those around you (41.74%, up from 38.64% in 2022)**

2. **Feeling that you will be unable to reach your goals, e.g. buying a house (28.38%, down from 30.85%)**

3. **Struggling to afford certain things, e.g. holidays, birthdays, Christmas (36.39%, up from 30.85%)**

4. **Having to miss out on social events due to money (24.87%, a notable increase from the Autumn/Winter 2022 figure of 18.64%)**

Only 13.36% of those surveyed said they had experienced none of the above, a drop from the 2022 figure of 17.97%

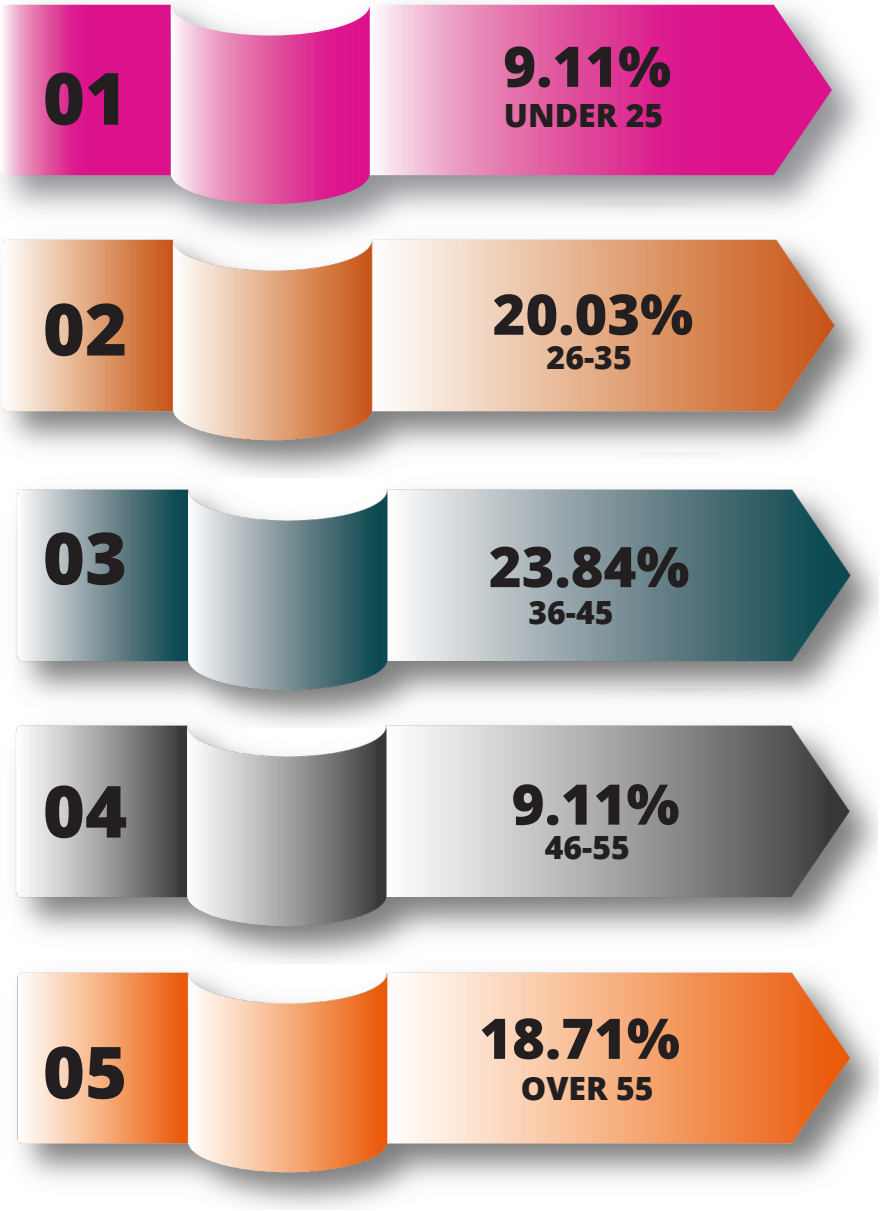
09

Demand for financial wellbeing is there, eager to be heard

Clearly the interest and demand for financial wellbeing in the workplace are there. Employees are seeking help.

They are looking for ways to live in the here and now, and to protect their financial future.

Of those who kindly took part in the Lifetime Employee Survey 2022, 9.11% were under the age of 25; 20.03% were aged between 26 and 35; 23.84% were 36-45; 28.31% were in the 46-55 age bracket; and 18.71% were over 55.



Remember, financial wellbeing in the workplace can help with staff retention, acquisition and succession planning.

Helping employees with financial management can ease the burden on HR professionals.

Using a financial wellbeing specialist delivers value for the employee and in turn helps free up HR 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.

10

Inaction is not an option

YES

NO

[INACTION]

It is estimated that companies are losing 9-13% of what is spent on payroll through poor productivity and absenteeism.

So, for example, if a business employed 100 people at £20,000pa, the overall payroll would be £2m. A potential loss of 13% equates to £260,000. If a staff benefit cost of £24 per employee pa (£2,400 for 100 people pa) could reduce that loss by as little as 1%, the overall saving to the business would be £17,600. And many firms have found that the savings are significantly more than 1%.

EG. 1

100 Employees

=

OVER £2 MILLION

POSSIBILE LOSS OF £260,000

EG. 2

£24 per employee

REDUCE THE LOSS

1%

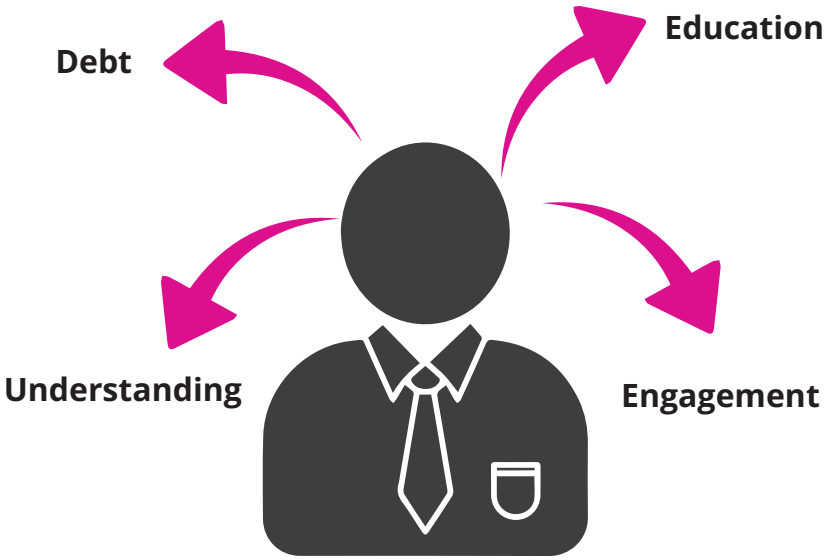
=

SAVING £17,600

11

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.



EMPOWERMENT

It is also about empowerment. Employers who offer financial education and guidance, through online Q&A's, 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.

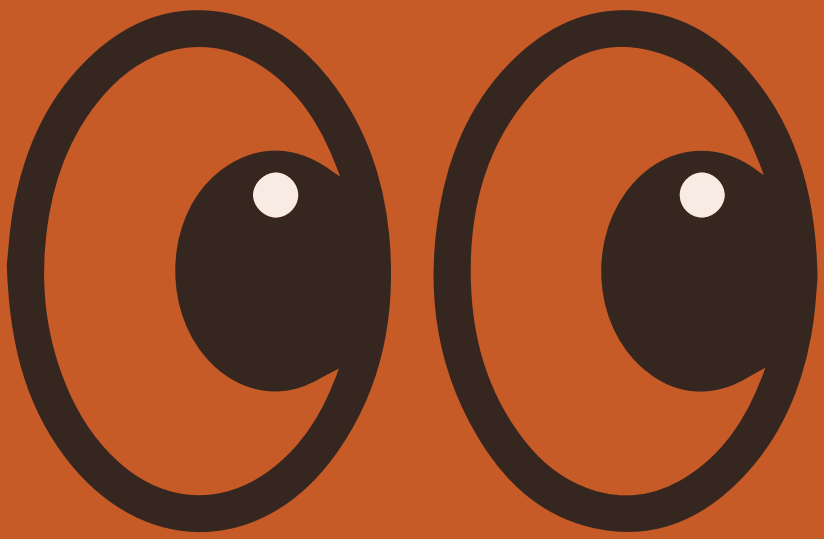
In order for people to enjoy full financial happiness, a negative money mindset needs to be broken, through financial skills and knowledge.

Lifetime believe 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.

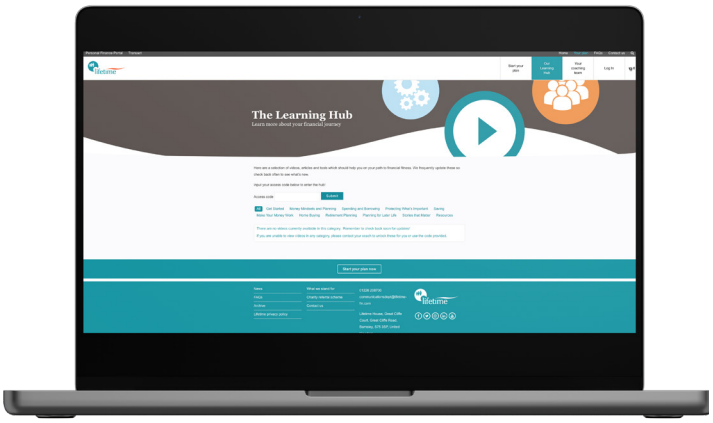
Education. Guidance. Help. Support. Advice. The right financial wellbeing service is about all of these things.

Take a look at

Our Financial Wellbeing package



- Personal financial plans for all your employees
- 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
- Bespoke marketing materials



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.

Lifetime has been named a Workplace Financial Wellbeing Champion – and is an award winner when it comes to customer service. Our tailored support will address any pressing financial questions employees might have, and help them acquire the necessary skills and knowledge to manage their money, so that they and their loved ones can enjoy the benefit. Employers can book a free demo to see how we can help their people deal with financial uncertainty: https://www.lifetime-fm.com/book-a-demo/

MEET SARAH

Sarah Kewley, Head of Business Development

As the key contact for Lifetime's employer partners, Sarah is in regular touch with you as we deliver financial guidance and support to as many employees as possible.

She admits to being 'really passionate' about her role and is always looking at ways of helping people on their financial journey.

Sarah loves being with family and friends and her world revolves around her husband and her amazing little girl.

Want to get in touch with Sarah? Send her an email on: s.kewley@lifetime-fm.com or book a demo: https://www.lifetime-fm.com/book-a-demo-alt/

TOP TIPS FOR ENGAGEMENT

1. **Watch Lifetime's launch video**
2. **Webinars are a great place to learn something new and informative, so encourage as many to join as possible**
3. **Have a 15-minute chat with our coaches**

SCAN HERE FOR THE HUB

PACKAGE REMINDER

1. **4 Webinars a year**
2. **Access to an online educational hub**
3. **Free financial plan**
4. **Chats with our Lifetime coaches**

lifetime