

DEVELOPING A FINANCIAL WELLBEING STRATEGY



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INTRODUCTION

This guide will support you to establish the foundations you need to develop a robust approach to staff financial wellbeing.

Our **four-step approach** means you can start your journey at whichever point is relevant to your organisation.



- 1 BUILD STRONG FOUNDATIONS** – embed an organisational approach to maximise understanding and buy-in for your strategy. Link with as many stakeholder groups as possible and get senior-level support. Build evaluation into the process.
- 2 SIGNPOST** – staff should be aware of where they can seek further information, guidance and support. You should signpost individuals to organisations, advice and literature to support their learning and understanding.
- 3 EDUCATE** – offer support for staff to identify positive financial wellbeing interventions and help them to develop positive financial wellbeing.
- 4 CONNECT** – combined with effective signposting and education about financial wellbeing interventions, staff may benefit from being connected with direct financial wellbeing support, which could be supplied by a third-party provider. Another example could be access to an online education portal provided internally or externally.

WHAT IS FINANCIAL WELLBEING?

What being financially healthy looks like

- Being able to budget properly.
- Manage debts.
- Save for the future.
- Contribute to a pension.
- Absorb unexpected costs.
- Having the knowledge to make informed financial decisions and understanding when and how to seek advice.
- Being free from financial stress and worry.



Why it's important to your organisation

Performance - **30%** of employees in the public sector reported that financial concerns have affected their ability to do their job (CIPD employee view)



Sickness absence - an employee with poor financial wellbeing takes on average **1.5** days of sick leave due to this per year (Salary Finance)



Productivity - an employee with poor financial wellbeing has lower productivity by **25-34** days per year on average (Salary Finance)



Why it's important to your staff

Mental health - poor financial wellbeing is linked with higher levels of **stress**, anxiety and depression



Sleep - **19%** of employees report having lost sleep over their finances



Concentration - **10%** of employees reported finding it hard to concentrate or make decisions



MYTHS AND REALITIES

Myth: Financial wellbeing is only important for staff who earn less.



Reality: Any member of staff could have difficulty with their financial wellbeing, including higher earners.



Myth: Financial wellbeing isn't the employer's responsibility, it's down to the individual.



Reality: It's a shared responsibility between employer and employee.



FOUNDATIONS

In this section we look at the foundations that need to be in place to develop a successful and holistic financial wellbeing strategy for your organisation.

Understand your data and staff engagement

Understanding the issues and challenges facing your workforce is key to developing your strategy. Gather regular feedback from staff to make sure you're meeting their needs and where you could do better.

- **Focus groups** – hold small events or meetings with staff to find out what they need and want.
- **Quick polls or surveys** – these can be a quick way to gather feedback on your existing financial wellbeing offer and test out new ideas.
- **Speak to payroll** – these can be a quick way to gather feedback on your existing financial wellbeing offer and test out new ideas.
- **Review your current financial wellbeing offer** – analyse any data you already have. The data could come from any external providers you work with, to web page statistics to assess levels of uptake and access to the products you have.

Communications approach

Consider how you will communicate different aspects of your financial wellbeing offer and think about different channels and mechanisms to reach a wide range of staff:

- Leaflets, posters or payslip attachments are good ways of reaching staff based in the community or staff who don't have regular access to a computer.
- Communicate your financial wellbeing offer alongside other initiatives. You could tie it in with communications around mental health or employee benefits.
- Videos, podcasts or online articles on your intranet can raise awareness of your offer and can be re-used and re-purposed for future communications.
- Highlight the organisation's approach to financial wellbeing regularly, including at staff events, training days and induction.



Resource



Signpost



Use our [communications guide](#) to help you think about how to develop a communication plan, the channels you can use and developing engaging messages for staff.

Develop a holistic approach with stakeholders

Work with a team of colleagues from across your organisation to ensure you take on board a diverse range of views and priorities. This will be key to making sure your strategy fits with your organisation's broader approach to improving staff experience.

You could work with:

- **trade union representatives**, to understand their members' experiences and what they understand to be the main issues or concerns
- **payroll colleagues**, to find out the types of queries they receive from staff and understand what elements of financial wellbeing could be delivered in-house, such as moving to weekly pay cycles instead of monthly
- **leads for staff experience, reward or health and wellbeing**, to ensure that your financial wellbeing strategy will integrate with the organisation's current offer around benefits and health and wellbeing
- **staff networks**, to help you understand a broad range of perspectives from across the organisation. You could create a steering group or use the networks to act as a helpful sense-check as you develop your approach.

Gaining senior buy in

Build evaluation into your approach by defining your objectives, the data and measures you will use and setting timescales to review your offer.

Your strategy will be much more successful if the organisation's senior leaders are supportive of your approach. To engage with board and senior-level colleagues you could:

- ask to be part of an agenda of an upcoming board level meeting
- circulate a short paper in advance of any meeting where you may be speaking
- make sure your business case is based on data and evidence, to make clear the real need for your initiative
- align organisational strategy to the objectives of your initiative
- ensure any action you are asking for is achievable, relevant and easily undertaken.

Evaluation

Build evaluation into your approach by defining your objectives, the data and measures you will use and setting timescales to review your offer.

You can access our sickness absence savings calculator to help you understand the impact of any initiative in this space.

Resource

Signpost

You can access more information on building your business case on our **dedicated web pages**.

Use our **template evaluation plan** to help you think about your objectives, audience, activities, the evidence you will collect, the risks and constraints you envisage, any performance measures and how you plan to use your findings.

SIGNPOST

Signposting is a simple method of directing staff to existing sources of financial support, advice and guidance. The resources and services you point to may be both internal and external. This is an important element of your financial wellbeing approach as it ensures your staff have access to information and tools to help them manage their own finances.

Internal support you could signpost to:

- **Payroll information** – you should share key information about when staff are paid and who to contact if they have a question or issue with their pay.
- **Employee assistance programme (EAP)** – signpost staff to your EAP service for confidential support. Depending on your provider, your staff may be able to access counselling, debt advice or guidance for line managers who are supporting a team member's financial wellbeing.
- **Mental health support** – poor financial wellbeing can have a significant impact on mental health, so make sure staff know about your internal mental health support.
- **Trade union contacts** – these are an important source of support for staff, who may not want to speak to a manager or colleague about financial issues.
- **Employee benefits** – ensure your staff are aware of the internal benefits your organisation offers. Make sure you include the range of benefits you provide, including discounts and salary sacrifice.

External support you could signpost to:

External websites and services are also valuable sources of free information and support for your workforce.

Consider signposting to:

Resource

Signpost

- **Money Saving Expert budget planning**, which includes a free spreadsheet to help individuals look at their income and outgoings.
- The **Money and Pensions Service** set up by government provides free and impartial financial advice. This includes guidance on improving finances, tools and calculators for budget planning, and support over the phone and online.
- **Money and Mental Health** is a registered charity and offers help, support and advice on mental health and money issues.
- **Step Change debt charity** offers a free service to support individuals manage their debt, including advice and practical support.
- National discounts for NHS staff, including the **blue light discount card** and **health service discounts**.

EDUCATE

This section will help you think about the different ways you can provide financial education, so that your staff can make informed choices that help to manage their finances in the short and long term and support their financial wellbeing.

- Help your staff to develop a budget to balance their income and expenses.
- Inform your staff about retirement options and the financial implications of different options.
- Support staff to have a basic understanding of tax, pensions and interest rates.
- Liaise with your local trade unions to see how they can support your initiative.
- Support your staff to plan for their future and manage their finances accordingly.
- Consider running individual drop-in sessions for staff to give them personalised support.

Here are some different ways you could engage with staff:

- workshops/seminars
- animations
- videos
- leaflets/flyers
- personalised one-to-one session.

Resource

Signpost

Find out how **Leicestershire Partnership NHS Trust** communicated financial health and wellbeing in their newsletter.

CONNECT

If your staff are well informed, they may still need help to manage their finances and improve their financial resilience. Financial services and products can be used to support staff and can complement your approach.

You may be able to provide some services in-house, or you may need to work with an external provider to offer these options. Before you start considering an external provider, use our handy checklist below:

- 
- Have you provided signposting and education?** Without this any additional services or products you provide staff may not improve financial wellbeing.
 - Do the services being offered meet what staff say they need?** Thinking back to your data from staff engagement, ensure the provider is offering something that meets these needs.
 - Do you have a robust business case to present on your approach?** Think about how you can develop a compelling business case to demonstrate the return on investment you can expect, as well as the positive impact on your workforce.
 - Does the provider reflect your organisational values?** If you're looking to work with an external provider, consider how their business model fits with your values.
 - Have you got a plan to evaluate your work?** You will need to gather data to understand the impact on staff or ask your external provider to do this for you.
 - Does your approach work with existing financial products and services?** Work closely with your payroll team to understand what can be done in-house and what the interactions would be with any external providers.

Examples of financial products and services you could consider:

- Access to loans with preferential interest rates for staff.
- Hardship grants and loans.
- Savings accounts.
- Pay advances or paying staff more frequently.



Resource

Signpost

Learn about how [Warrington and Halton and Hospitals NHS Foundation Trust](#) created a partnership with a third party to support their offering to staff.

Our [foundation section on page 5](#) has information on engaging and getting senior level buy in when developing your financial wellbeing approach.

Contact us

For more information about NHS Employers

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