

MetLife guide to financial wellbeing

Insights for your business



Every business wants to achieve financial wellbeing. It's about more than making a profit. By putting financial wellbeing at the heart of your wellbeing culture, you can help create and sustain a happy, loyal workforce.

In this Financial Wellbeing Guide, we provide expert insights on how to help your employees improve their financial wellbeing, which makes sound financial sense for your business as well.

1. Where we are today



The journey so far

Today, financial stress is one of the biggest issues facing both employees and employers alike. But the good news is that awareness is increasing about the importance of understanding and tackling the key issues. In our recent study, 52% of employers said it was important to them to help their employees with their financial wellbeing.¹



Where you are now and where you want to be

The study by MetLife also showed that 36% of employees² say they've been distracted at work because of financial worries. When your employees aren't able to concentrate on giving 100%, they're less likely to be able to perform at their best. Start by taking a close look at your business, in order to understand how your employees feel right now and how you can help.



Staying on target together

Financial stress can affect turnover, and the cost of replacing an employee could be as much as 200% of their original salary.³ By offering the right benefits and support, you can get them back on track and help your business go in the right direction.



Keep your employees motivated

When it comes to benefits, employees now look for much more than a good salary. Today, 73% of employers⁴ use a more rounded and comprehensive benefits package as a way to differentiate their workplace and attract talent.

2. Rethinking the ROI of financial wellbeing benefits



The race is on

Today, competition for talent is fiercer than ever. Employees are becoming more agile, so it's important to ensure they feel valued. One of the most effective ways to make your company stand out is by offering financial wellbeing benefits tailored to the needs of your employees.



A journey worth investing in

In recent research, it was shown that for every \$1 invested in financial wellbeing programmes, employers can get as much as \$3 in return.⁵ So, not only is boosting financial wellbeing good for the individual employee, it's great for business.



Accelerating profits

Organisations with engaged employees showed a 19% increase in operating income over a 12-month period, compared to a 33%⁶ decrease in companies with disengaged employees. This clearly demonstrates the link between employees who feel valued and the overall health of the business. Ultimately, one of the best ways to make sure employees are engaged is with great benefits that are clearly communicated.

1. MetLife Employee Benefit Trends Study 2017

2. Prasad Ramani and Alain Samson "Introduction", A Behavioural Approach to Employee Financial Wellness (October 2017): 3

3. Prasad Ramani and Alain Samson "Why Employee Financial Wellness Matters", A Behavioural Approach to Employee Financial Wellness (October 2017): 7

4. Prasad Ramani and Alain Samson "Introduction", A Behavioural Approach to Employee Financial Wellness (October 2017): 3

5. Prasad Ramani and Alain Samson "The Business Case – What's In It For You?", A Behavioural Approach to Employee Financial Wellness (October 2017): 23

6. Prasad Ramani and Alain Samson "The Business Case – What's In It For You?", A Behavioural Approach to Employee Financial Wellness (October 2017): 23



A step forward for your whole business

Engaging employees can benefit shareholders too. In businesses with highly engaged employees, share prices rose by an average of 16% compared to an industry average of 6%.⁷

3. Using behavioural science to encourage healthy financial habits



Show them the way

Employees are often influenced by status quo bias, or the fear of change.⁸ By giving them the support they need and demonstrating the benefits of healthy financial habits, you can help them see how they could be financially healthier by making even small changes to their lifestyle.



Easy choices for a smoother journey

Behavioural science tells us that the easier a choice is, the more likely we are to make the right one.⁹ So, when it comes to helping employees improve their financial wellbeing, offering guidance and support can be a real boost. If you offer benefits, such as financial counselling or voluntary pension contributions, make this visible and easy to take advantage of.



Make financial wellbeing your destination

As a business, you are more likely to reach your financial goals if you share the journey with your employees. And they are more likely to reach their destination with your guidance. By building your business culture around support and communication, you can create a stronger workforce.

7. Prasad Ramani and Alain Samson "The Business Case – What's In It For You?", A Behavioural Approach to Employee Financial Wellness (October 2017): 23

8. Prasad Ramani and Alain Samson "A New Behavioural Approach", A Behavioural Approach to Employee Financial Wellness (October 2017): 16

9. Prasad Ramani and Alain Samson "A New Behavioural Approach", A Behavioural Approach to Employee Financial Wellness (October 2017): 17



Reach your business destination, together

Remember, your business and your employees are on a journey together. There are many simple, effective ways to make this journey easier to navigate, and behavioural science can help you get there.

The four most important points to keep in mind are:

1. Start by understanding where your business is now and where you want to be.
2. Recognise the needs of your employees, what they expect from you as an employer and what their financial ambitions are.
3. Remember the true value of investing in financial wellbeing for your employees and your bottom line.
4. Work together to achieve financial wellbeing and see your business thrive.

For more information on financial wellbeing,
visit metlife.co.uk/worksmart

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