

Financial Wellbeing for Employers

GETTING STARTED



- ✓ **Lower stress levels**
- ✓ **Boost productivity and**
- ✓ **Support your employees with one of the most important aspects of their lives!**

This guide gives you **top tips for getting started on and improving your financial wellbeing strategy**, with market overview, key stats and the offer of a free strategy review and financial wellbeing webinar for your team.

maji

How to build the business case

Financial wellbeing is a phrase you might be hearing a lot at the moment, especially with the cost of living crisis. It's something that is well worth considering as an integral part of your overall wellbeing strategy, because there is a tangible impact on your business:

OVER
80%

of employees say they are impacted by money worries at work

YouGov and YuLife

54%

of UK adults are experiencing dread, anxiety and depression due to financial worries

MMHPI

IN THE LAST 2YRS
2.6m

days off were taken due to financial stress

CEBR

£6.2
BILLION

The estimated financial impact on UK companies, per year

CEBR

71%

of managers report seeing the impact of financial anxiety and stress on their workforce as a result of the current economic situation

CMI

These general stats are helpful, but it can also be useful to collect data about the challenges and aspirations of your team. Think about:



Anecdotal evidence

Are you hearing staff talk about financial stress? Are employees coming to you or the finance team for help with questions or with their own financial situation?



Survey evidence

Have you or can you collect data about your team's experiences?

Need some help?

We can chat through your financial wellbeing strategy with you – with **no expectations**. Fancy a **free financial wellbeing webinar for your employees**, full of tips and tricks to help them with the current economic situation? This includes our financial healthcheck which will give you **valuable insights into what they really need help with**.

Email megan@maji.io



How to define financial wellbeing

Financial wellbeing isn't just about how much money someone has in the bank. It also encompasses their attitudes, confidence, regular behaviours and how they approach their lifetime goals. We've broken the concept down into four key areas:



Financial resilience

How well someone is able to withstand shocks to the system, for example suddenly losing their job or becoming unwell; having emergency savings and insurance as protection



Money management

Daily life, including spending, saving, borrowing and budgeting; having the tools, experience and understanding to develop positive money habits



Future planning

Planning and preparing for long-term goals, including retirement, and saving to meet these



Money mindset

Feelings, confidence, attitudes and stress levels

What makes a **successful** strategy?



Based on data

but your employees' privacy is also important!



Personalised

to what employees really need at each stage of their lives



Holistic

touching on the different areas of financial wellbeing and potentially linked to broader aspects of general wellbeing such as mental and physical health



Contains a mixture of self-help and external support



Has clearly agreed targets

and a way to measure progress

Financial wellbeing will look different for each employee depending on their personal circumstances and life stage. Some employees will be happy to work through self-help material on their own, and others will need more tailored and targeted support, including from expert professionals.

What's in the market?

There are a number of providers in this space, offering solutions across:



Data collection

finding out more about what's going on with your employees



Education

text, video and webinar resources



Coaching

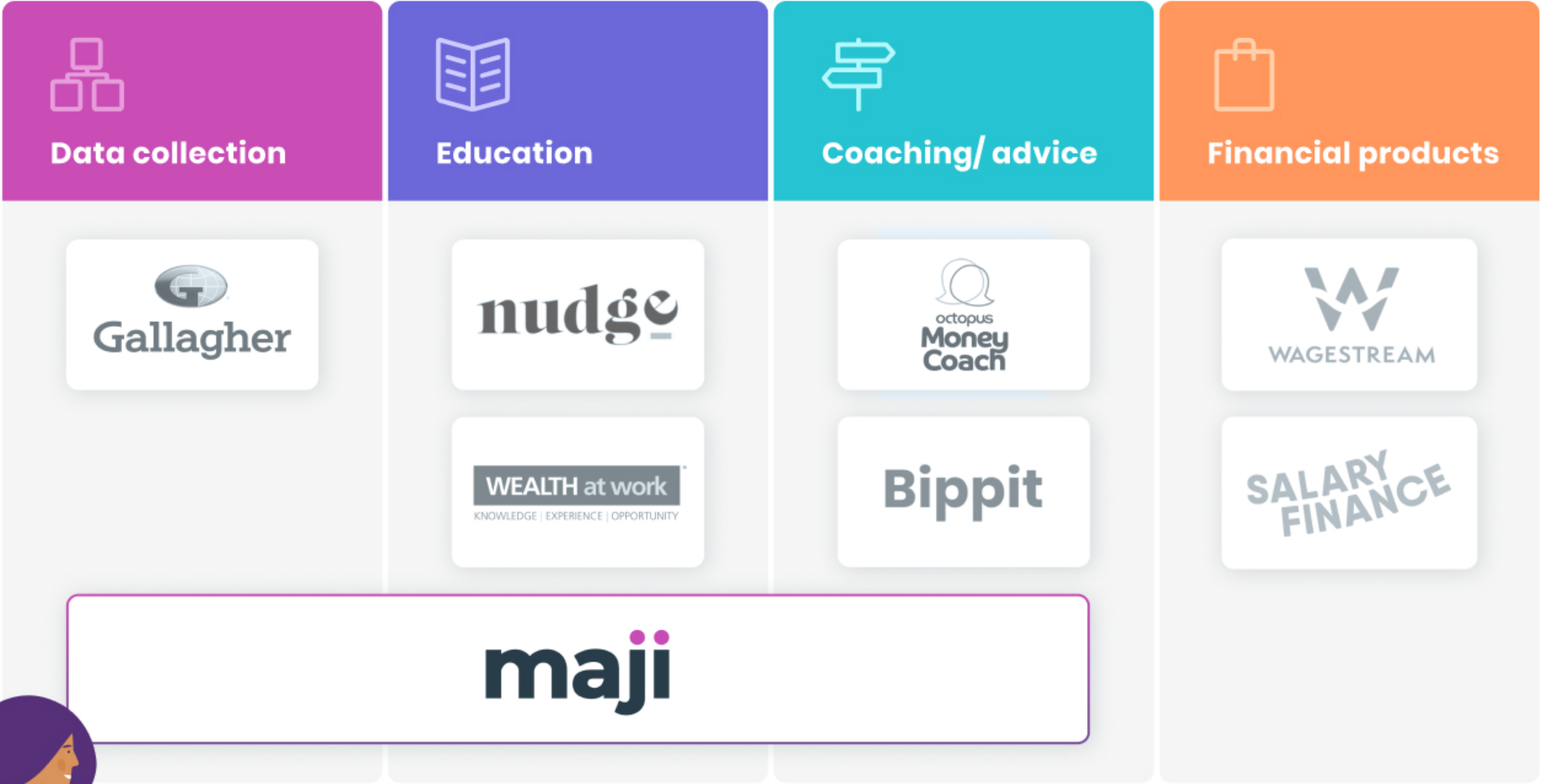
digital or person-to-person support on mindset, money management and starting to plan



Financial products

for example: salary advances or discounts

To help you get your head around what's on offer, here's how we think of what's available in the market.



It's important to think about what will work for your employees and your budget.
For example, do all employees need 1:1 coaching? Will employees engage with educational material on its own?
Are your employees at the right stage of life to think about retirement planning or investments?

How to balance cost vs. impact

One of the challenges with financial wellbeing solutions is that the more personalised the solution, the more costly it can be, especially where human intervention is involved.

Workshops & generic content

Tends to be cheaper, but research shows that, in general, we forget 70% of what we learn within 24 hours. Workshops without any support for practical implementation will always have limited impact.

Financial education

On its own has only minor impact, with some studies suggesting that financial education only accounts for a 0.1% change in behaviour!

1-to-1 coaching or advice

Although highly effective, tends to be most expensive, because it relies on the services of trained individuals. Remember that 'coaching' and 'advice' are different, and that even 'coaching' has many different permutations, so it's important to balance the cost of expert interventions with your employees' needs:



FINANCIAL COACHING

There is currently no set expectation for Financial Coaches, Financial Wellbeing Specialists or Financial Educators to be regulated by the FCA.

Financial coaches are focused on some or all of the below:

- *providing generic guidance*
- *sharing financial knowledge and information*
- *empowering individuals to change behaviour*
- *providing accountability for individuals who want support to change*
- *helping individuals reflect on and identify actions that will improve their financial wellbeing*

Coaches do not offer specific recommendations but instead support groups and individuals to improve their financial situation and overall wellbeing.



At Maji we make a distinction between two types of sessions that come under the umbrella of 'financial coaching':

- *Structured sessions with a pre-planned format - we believe these sessions can be delivered by financial educators who have been through a due diligence process but are not necessarily certified as coaches*
- *Non structured sessions working on money mindset, money story or money trauma - we believe these sessions should only be delivered by certified money coaches who have been qualified via a recognised course*



All financial wellbeing providers will have their own standards. Make sure you check and are happy with the approach offered.



How to balance cost vs. impact



FINANCIAL ADVICE

The FCA regulates all financial advisors including mortgage, equity release, pension and investment advisers and sets the minimum standard of qualification and demonstrated competency including ongoing professional development and good financial behaviour. It's expensive to offer services as a financial advisor.

Advisors are remunerated by taking commission on products they sell, or some offer hourly charging.

There is a growing trend for financial advisors to offer workplace wellbeing support.

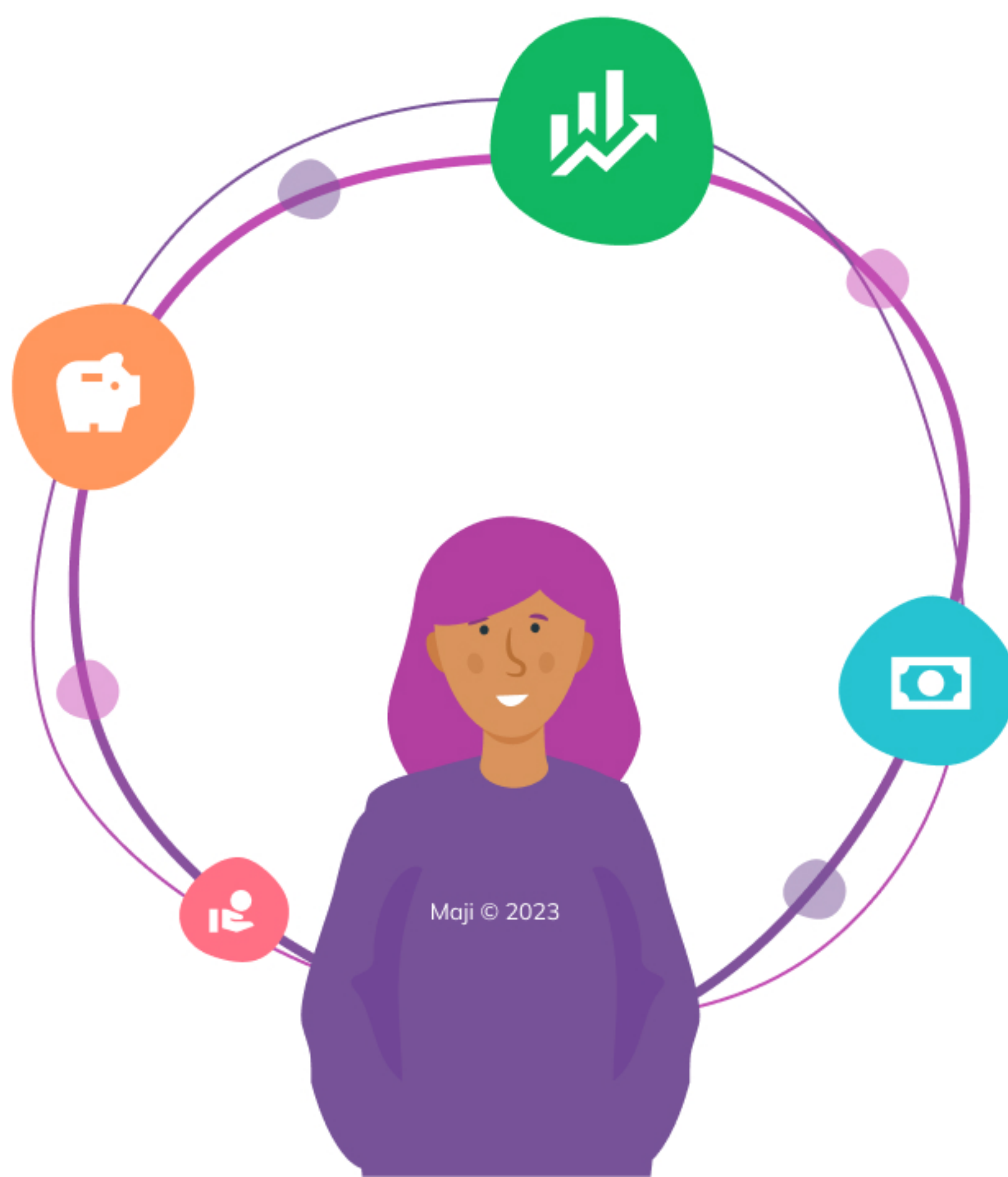
The way financial advisors make this commercially viable is by hoping to sell products to employees that will cover the cost of them giving free or low cost sessions. Sometimes this is referred to as 'work-site' marketing. If you are considering a company that uses financial advisors to deliver sessions, think about the following:

- *What is your company culture re worksite marketing? Are you comfortable with this or not?*
- *What services would your employees benefit from most: coaching to work on knowledge, habits and behaviours, or specific recommendations for products or services?*



Here are some tips we would propose when finding a service that meets your budget but also makes a difference:

- *Shop around and get quotes from multiple providers*
- *If you want 1-1 support, check the policy and due diligence provided by each supplier*
- *Think about the level of qualified professional your employees need support from and balance this against the cost*



Getting started with your financial wellbeing strategy

We've compiled some key questions to answer as a starting point:

QUESTIONS	YOUR ANSWERS
What's your budget for wellbeing?	How much is set aside for wellbeing in general, and how much can be dedicated to financial wellbeing?
What are the key demographics in your organisation?	Age, gender, career stage, technical capability etc.
What are you already offering them (benefits or wellbeing support)? What's the take-up like?	Do you have other benefits that support wellbeing or give a discount/free insurance?
Where do they need more support with financial wellbeing?	Have employees already come to you with concerns? How else could you find out what's going on?
Is this something they can work on themselves or does it need external intervention?	What kind of resources, signposts or intervention might be needed?
How will you track the impact?	How will you know if your strategy is working?

Next steps

Once you've got the framework of your strategy, you can start to explore some of the nuances and details. Some of these might be determined by the data you collect about your employees, but you might want to consider:



Overlaps with your D&I strategy

Different groups and identities may be affected by financial stress in different ways. Have you considered which employees may need additional support, and how you are catering for them inclusively?



Supporting employees well into the future

Your employees' pension is probably your biggest investment in their wellbeing - do they understand and appreciate this? How can you help them save more for tomorrow?



Integrating your other benefits and wellbeing initiatives

Poor financial wellbeing can have a huge impact on both mental and physical wellbeing. Making sure employees are supported holistically is important. At the same time, if employees aren't taking up benefits that could improve their financial wellbeing, like discounts, insurance deals or free healthcare, you're missing those links that will make all parts of your strategy work as hard as they can.



Need some help?



Get in touch with Megan

Email megan@maji.io

We'd be happy to jump on a call to chat through your financial wellbeing strategy – with no expectations.

We could also help you out with a free financial wellbeing webinar for your employees, full of tips and tricks to help them with the current economic situation, and including our financial healthcheck – which will give you valuable insights into what they **really** need help with.

Maji makes every stage of your strategy **easier**

Maji is a complete financial wellbeing and money management platform enabling you to track and improve the financial wellbeing of your employees. With Maji, you can:



Gather anonymised, aggregated data

from our financial healthcheck, which highlights where your employees need extra support



Offer your employees a holistic, digital financial wellbeing platform

that gives them a range of tools and resources, including

- An open banking wealth dashboard and real-time spending planner
- A personalised, step-by-step action plan
- Digital coaching and on-demand masterclasses on a range of financial topics
- A whole-of-life, household financial planner to set and track progress towards their goals
- Access to financial experts, including coaches, advisors and mortgage brokers
- Chat button to get help fast



Work with Maji's Impact Team

to make sure your strategy results in meaningful outcomes

