



236

Employer respondents, including: GSK, Procter & Gamble, Shell Energy Retail, Standard Chartered Bank

1.3m

Employees represented in the research

145

Respondents have more than 1,000 employees

## Financial wellbeing: the next chapter

Preparing for a future shaped by longevity, costs and employee life stages

Our *Financial Wellbeing Research 2024*, in partnership with WEALTH at work, reveals the key societal, economic and employee value proposition (EVP) trends shaping financial wellbeing strategies.

Based on research with 236 employers, it explores how factors including environmental, social and governance (ESG), ageing and medical costs are changing behaviours and employers' approaches to financial wellbeing. The report also examines the impact of life events, such as caregiving and divorce, the imminent need for pre-retirement planning and mental health as intertwined drivers of change.

With a 329% surge in employers using financial wellbeing data to measure benefit impact and effectiveness over the next two years, aligning current and long-term employee needs with broader HR and business objectives will be key to securing budget.

This briefing gives you a snapshot of the findings, or dive into the full report for detailed benchmarking data, insights into the fastest-growing financial wellbeing offerings, data measurement trends and practical steps to improve retirement adequacy.



### About the research

Using REBA's extensive membership, the insight team conducted an online survey between April and May 2024 to produce the full 48-page *Financial Wellbeing Research 2024*. The robust methodology uncovered clear future trends and decision-making patterns among the 236 respondents, covering 1.3 million employees.

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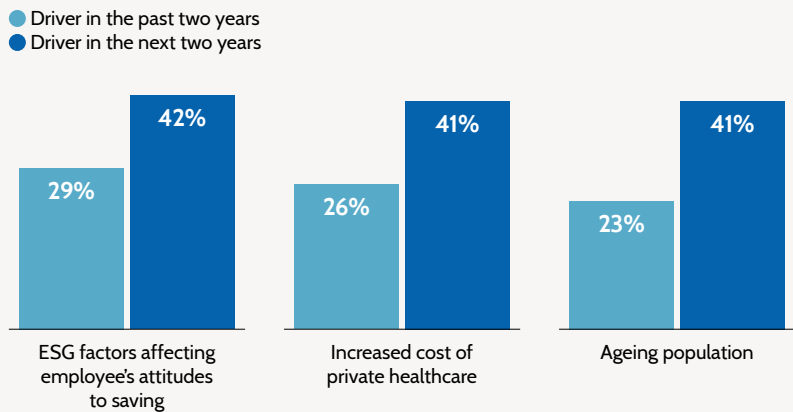
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## Key findings

### ESG, ageing and medical costs to reshape financial wellbeing strategies

Broader societal and economic issues will have a bigger influence on changing offerings as the impact of the cost-of-living crisis dissipates. During the next two years, increasing numbers of employers will be looking to adapt their financial wellbeing offerings to take account of employee expectations linked to environmental, social and governance (ESG) issues, shifts in age demographics and the impact of funding private medical care as the NHS struggles.

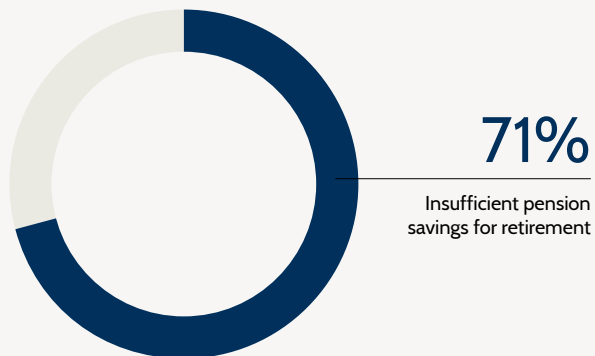
#### Top three increasing drivers of future change in financial wellbeing offerings



### More employers to take on responsibility to address retirement adequacy

Insufficient pension savings is the third highest perceived risk to employees' financial wellbeing, as reported by 71% of respondents. As such, increasing numbers of employers are beginning to take action to address this looming issue by focusing on pre-retirement support and benefits (see page 25). Ensuring retirement adequacy not only supports wellbeing but also meets wider organisational aims around diversity, equity and inclusion (DEI) and ESG.

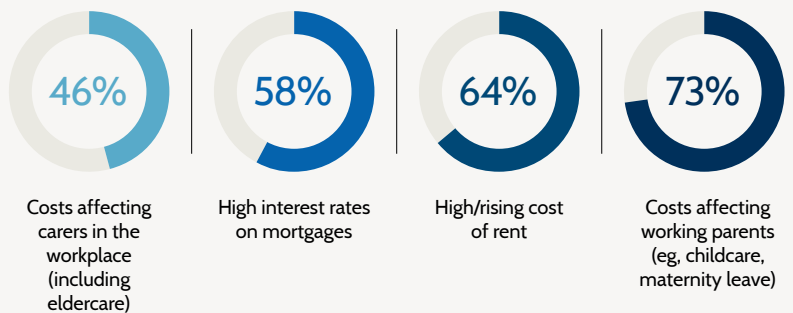
#### What is putting employees' financial wellbeing at risk



### Parenting, caring and housing costs are creating financial risks for employees

The impact of high living expenses on employees' financial stability, and the knock-on consequences these can have in the workplace, are being recognised by employers. The high cost of housing, from rent and energy bills, through to getting onto the property ladder, is creating stress in the workforce. Working parents and carers in particular face higher financial burdens.

#### Top issues putting employees' financial wellbeing at risk



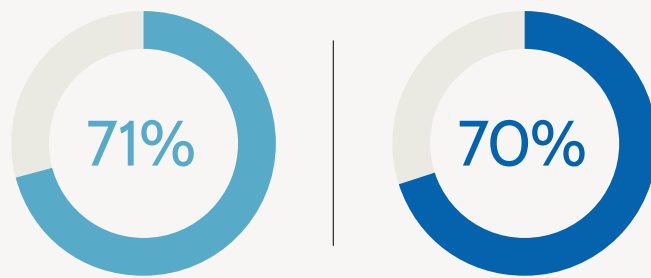
# Key findings

## Mental wellbeing is the driving force behind financial wellbeing

The connection between mental and financial wellbeing is well established. Increasingly, employers are becoming aware of how those dealing with more complex clinical mental health conditions can be particularly vulnerable to poor financial wellbeing and exclusion. More focused support for specific groups, from the bereaved through to neurodivergent employees, is needed.

### Mental wellbeing is the top driver of change to financial wellbeing offerings

- Driver in the past two years
- Driver in the next two years

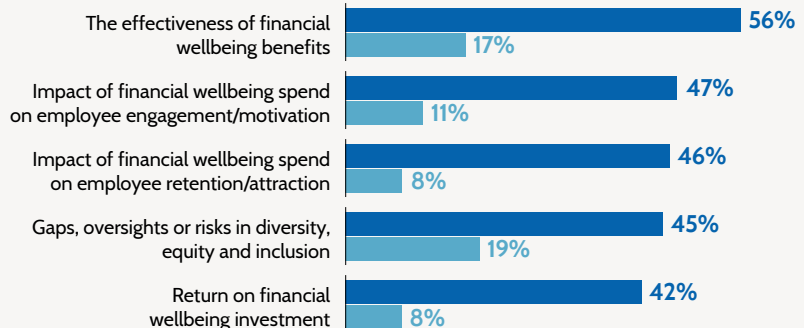


## Upsurge in data use to justify spend and prove effectiveness against HR objectives

Better use of data insight over the next two years will help employers to measure and understand the effectiveness of their financial wellbeing programmes. By leveraging this data, employers will be able to strategically embed their offerings and align to organisational aims and objectives, from improving DEI, through to measuring return on investment.

### Top five areas employers measure with their financial wellbeing data

- Plan to measure in the next two years
- Currently measure

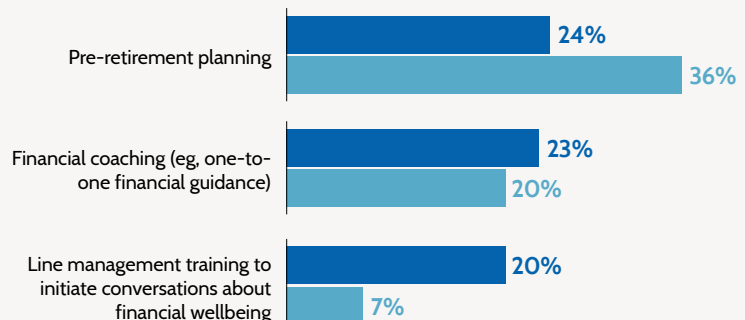


## Pre-retirement planning, coaching and training will be fastest-growing financial wellbeing offerings

Specific financial wellbeing benefits and support are needed to meet the highly personalised requirements of a workforce. For employers keen to improve financial resilience and workplace culture to better support employees, one size cannot fit all. Individual coaching and line manager training is on the rise to fill this gap.

### Top three financial wellbeing support services employers plan to fund

- Will offer in the next two years
- Currently offer



# Recommended actions

From WEALTH at work

## 1 Build financial resilience

Building new financial habits can be difficult, especially during the current cost-of-living challenges. However, help with budget planning to recognise poor spending patterns (should they arise) is invaluable. It's also vital to help employees understand the importance of saving for the future to build financial resilience. Ensuring they are aware of available workplace savings, such as ISAs and Share Incentive Plans, and how they can help is key.

## 2 Make it inclusive

Ensure financial wellbeing support reaches all of your workforce. A number of methods are available to support people, depending on their preferred learning style and work environment, such as financial education sessions (face-to-face or online), one-to-one financial guidance with a coach (via telephone, online or face-to-face), webcasts, videos and animations, or even interactive financial wellbeing platforms with gamified learning to increase engagement and interaction.

## 3 Consider all life events and stages

Specific groups within the workforce – such as parents and carers and those approaching retirement – will have different financial wellbeing needs. Offer employees choices so that they can select benefits that are suitable for them. But don't forget that employees will need support to understand the financial benefits on offer and how to access them to optimise their use.

## 4 Boost pensions engagement

Given our [retirement worries research](#) found that 39% of employees think they will never be able to afford to retire, more needs to be done to engage people. Help employees understand the difference that small increases to pension savings can make. For example, someone in their 20s saving just 1% more can boost future savings by 25%. Also, look for relatable and interesting ways to switch employees on. For example, our [pensions engagement research](#) found that despite the current cost-of-living challenges, 40% of employees would increase their pension contributions if they knew their pension was investing in funds that aligned with their values and beliefs.

## 5 Bring it all together

In recent times, employers may have been reactive in their approach to financial wellbeing as a result of the cost-of-living challenges many have experienced. Now there is an opportunity for reward and benefits professionals to take a forward-looking view and begin to bring together benefits into a more coherent and joined-up strategy. Financial education and guidance can ensure employees understand all their workplace savings and benefits and bring it all together to help improve their finances.

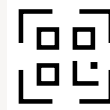
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## About WEALTH at work

WEALTH at work is a leading financial wellbeing and retirement specialist – helping employees and pension scheme members to improve their financial future.

We provide financial education and one to one guidance on a bespoke basis which can be delivered globally. Following this, for those wishing to understand their personal financial situation, support is provided through our helpline. At this point, we can offer access to investment advice which provides specific recommendations. We also offer other investment options (on a non-advised basis) for those with simpler investment requirements.



[Visit our website for more information](#)

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## About REBA

The Reward & Employee Benefits Association (REBA) is a thriving community of HR professionals dedicated to pursuing best practice in reward and benefits. Synonymous with excellence, REBA informs and empowers its members to grow their networks, advance their knowledge, source and connect with market-leading vendors, and be prepared.

REBA's research taps into its diverse network to provide insights into the strategies that a broad range of organisations are implementing.

For more on the future of reward and benefits, join the REBA community at the REBA Future Forum in November.

**reba** Reward & Employee Benefits Association