




# REWARD MANAGEMENT SURVEY

Financial wellbeing and  
organisational support

The CIPD is the professional body for HR and people development. The registered charity champions better work and working lives and has been setting the benchmark for excellence in people and organisation development for more than 100 years. It has more than 160,000 members across the world, provides thought leadership through independent research on the world of work, and offers professional training and accreditation for those working in HR and learning and development.

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# Financial wellbeing and organisational support

## About this section

This section is the fourth in a series of five based on findings from the CIPD's eighteenth UK *Reward Management* survey. This research focused on the provision of employee benefits. Each section explores a different aspect:

- 1 career and professional development benefits; financial benefits; health and wellbeing benefits; and paid leave benefits
- 2 personal and family benefits; social benefits; technology benefits; transport benefits; and summary
- 3 benefit choice; home and workplace benefits; and recruitment and retention benefits
- 4 employee financial wellbeing
- 5 in-work poverty.

Our survey took place in October 2021 and 280 reward professionals responded spanning the private (70%), public (15%) and voluntary (15%) sectors. Responses were complemented by focus group discussions with expert practitioners, to delve into the stories behind the numbers. The aim of our research is to provide a benchmarking resource on current and emerging practice in the areas of both employee benefits and financial wellbeing and to explore the implications for practice.

The research reveals a wide range of employee benefits provided by employers, either to all or some workers. For the purpose of our analysis, we explore these in the first two sections of our report. This section explores the following:

- pay fairness
- what is a financial wellbeing policy?
- the benefits of having a financial wellbeing policy
- financial wellbeing budgets.

## Overview

The CIPD report, *Financial Wellbeing: An evidence review*, shows that when employees suffer from financial distress, both their wellbeing and job performance are likely to suffer, with implications for the workplace. So, this should not only be an internal concern for organisations, HR professionals and employees, but also externally for investors and customers.

While low-paid workers are more at risk of suffering from poor financial wellbeing, higher-paid workers are not exempt. The CIPD roundtables that were held to inform the *Reward Management* survey cited examples of senior employees getting into financial difficulties due to illness, bereavement, or divorce. The roundtables emphasised the importance of encouraging employees to be open about their money worries, because the sooner employees revealed their difficulties, the quicker the employer could respond.

The following section looks at what employers are doing to support the financial wellbeing of their employees in terms of whether there is a financial wellbeing policy, what it contains and whether it's backed by a budget. Our survey of employees finds that while

the *amount* of reward is important, so too is being rewarded *fairly*. This section also explores what employers are doing to assess and communicate the fairness of pay and benefits, as well as how they talk to employees about what is on offer and why.

Financial wellbeing has received even more attention recently due to the increase in the cost of living and the impact this could have on the number of people suffering from in-work poverty. We will look at how employers are dealing with in-work poverty in the final section of this report.

### Key findings

Our survey of over 2,500 workers finds that 80% feel that being fairly rewarded for their efforts through pay rises, bonuses, promotions, and so on, is an important aspect of their financial wellbeing. Furthermore, when we ask employees what other steps, apart from increasing their pay, their employer could take to improve their financial wellbeing, 35% said making sure that pay decisions are fair and consistent.

When it comes to ensuring pay and benefits are fair, 81% of employers regularly review pay structures and levels to ensure fairness, while 59% similarly review benefits. However, just 31% of employers then go on to let their employees see the findings of their reviews into pay and benefit fairness. This is borne out in our survey of employees, which found that only a third of employees know why they get paid what they do and only one in five know what they need to do to secure a pay rise.

Just 18% of organisations have a financial wellbeing policy, either as part of a wider employee health and wellbeing policy (14%) or as a standalone financial wellbeing policy (4%). However, a further 20% plan to implement a financial wellbeing policy in 2022. The CIPD's winter 2021-22 *Labour Market Outlook* finds that 13% of organisations are looking to introduce new benefits, or improve existing ones, to boost employee financial wellbeing in 2022, so the direction of travel is upwards.

The most common reasons employers give for having a financial wellbeing policy is to improve the overall mental and physical wellbeing of employees (77%), closely followed by improving employee financial wellbeing (73%) and to reduce employee stress levels (72%).

Employers wishing to stand out in the labour market should invest in creating a financial wellbeing policy and then communicating it. The CIPD employee survey finds that 59% of staff believe that it is important that their current employer has a policy in place to support and improve their financial wellbeing. When it comes to looking for their next job, 65% of employees think it's important that their future employer has such a policy.

Evidence shows that having such an arrangement is beneficial for workers. For example, the CIPD employee survey finds that in organisations where there is a financial wellbeing policy in place, 76% report feeling in control of their finances while 61% say their pay is enough to help them save for retirement. In contrast, this proportion falls to 64% and 41% (respectively) in organisations where employees say there is no such policy. It is perhaps not surprising to find that those individuals employed by organisations with a wellbeing policy are more likely to say it's important that both their current (81%) and future (81%) employer has such an arrangement.

However, just 26% of employers that have a workplace financial wellbeing policy back it with a budget, although a further 42% plan to do so by October 2022. Given the positive feedback from employees who are covered by a financial wellbeing policy, it makes sense for HR teams to make the business case for not only creating a policy but also then backing it with money.

## Elements of financial wellbeing

### The majority of employers review their pay structures

Figure 1 shows that while 81% of employers in our sample regularly review their pay structures, levels, and increases to ensure fairness, just 59% do likewise when it comes to the benefits package. It would make sense to review both pay and benefit practices at a similar time, given the role played by both in supporting employee wellbeing. However, given the difference, it might be that employers don't see the need, or perhaps do not know how to review the benefits package.

Checking that pay decisions are fair makes sense. The survey of over 2,500 workers commissioned by the CIPD finds that 80% feel that being fairly rewarded for their efforts through pay rises, bonuses and promotions, and so on, is an important aspect of their financial wellbeing. Furthermore, when we asked employees, apart from increasing their pay, what other steps could their employer take to improve their financial wellbeing, 35% said making sure that pay decisions are fair and consistent. This response was one of the top two, the other being more annual leave (35%).

However, Figure 1 shows that just 31% of employers then go on to communicate to employees the findings of these reviews into pay and benefit fairness. Either many reviews are finding that reward decisions are unfair (and possibly illegal), so that employers are reluctant to say what's been found, or the reviews are finding that these decisions are fair, but organisations are missing out on an opportunity to show this to their staff.

Other elements of financial wellbeing that organisations said were a priority include:

- being open with their employees about the pay and benefits provided, why they are being provided, and what people need to do to receive them (58%)
- regular reviews of bonus and incentive decisions to ensure fairness (52%).

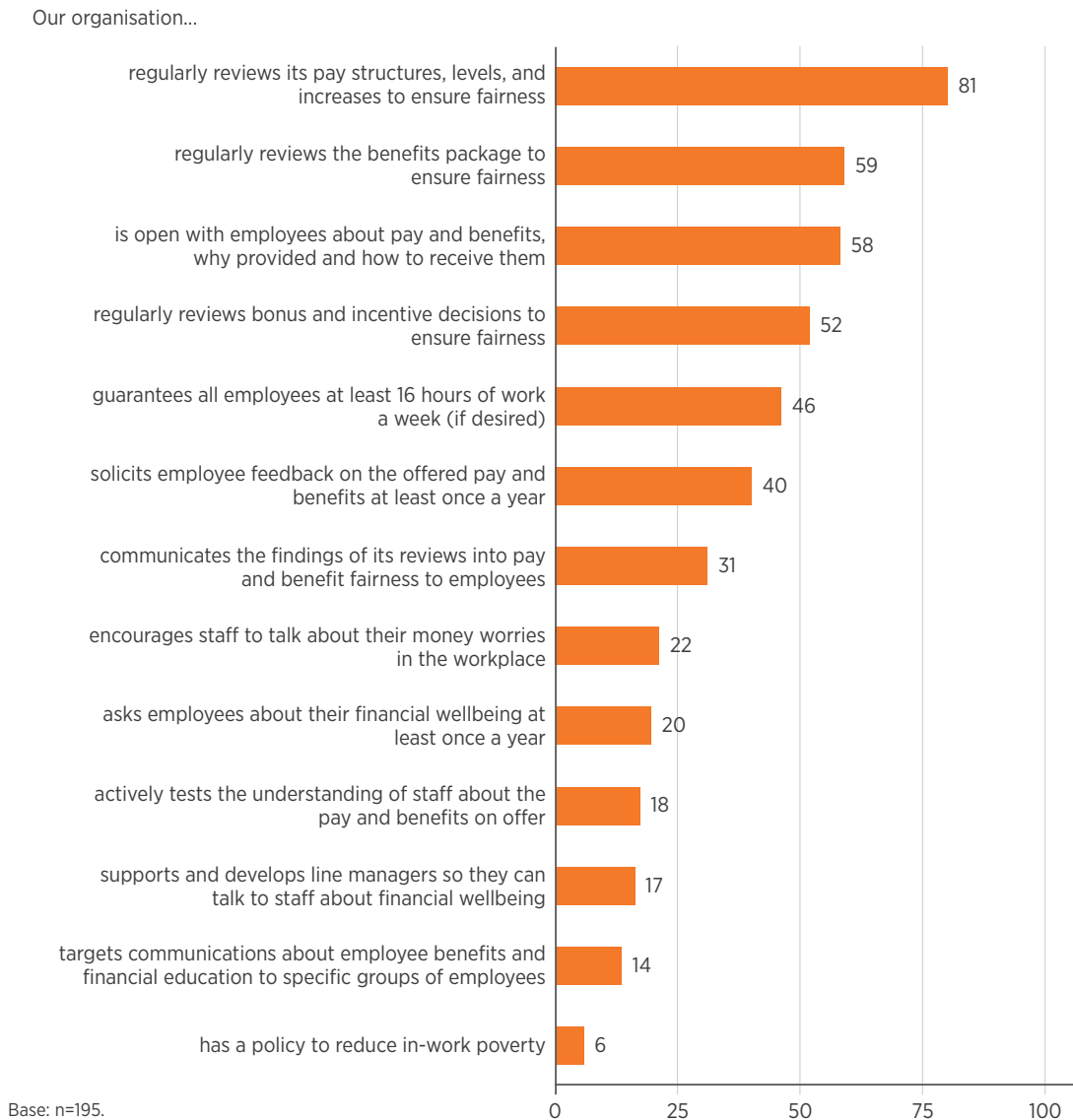
Again, it's good practice for employers to let people know what to expect in terms of pay and benefits, so they are better able to value them and are in a better position to decide whether they are being rewarded fairly. However, the CIPD survey of employees finds that just 38% say their employer explains to them why they get paid the amount they do and just 20% say their organisation communicates what they need to do to be able to earn more money.

When it comes to benefits, the survey finds just:

- 57% of employees say their employer has told them what benefits are on offer to them
- 53% say their employer has told them how to get those benefits
- 50% report that their organisation has explained how the benefits could be useful to them
- 43% had communicated why it offers those benefits to their workers.

So, employers are missing an opportunity to show the fairness of their benefits package.

**Figure 1: Elements of financial wellbeing offered by employers (%)**



**Few organisations encourage staff to talk about their money worries**

Figure 1 also shows that just 40% ask employees for feedback about pay and benefits at least once a year. We would encourage HR teams to do more to get such feedback. They should use various ways to talk with colleagues, such as webchats, surveys, or forums. The answers can then help employers design and refine their financial wellbeing policies, as well as assess their effectiveness.

Few encourage staff to talk about their money worries (22%), ask about their financial wellbeing at least once a year (20%), or actively test their employees’ understanding about the pay and benefits on offer (18%). Our survey of employees finds a similar picture, with only 18% of staff saying they would feel comfortable asking for help from their main employer if they were to face financial problems, and just 10% saying their employer has asked them if they would like support with their financial wellbeing.

Line managers also play an important role in spotting financial distress and signposting support, yet our survey finds that only 17% of respondents support and develop line managers so they can talk to staff about financial wellbeing. It makes sense for HR teams to support line managers through training, toolkits, and so on, to chat with colleagues

regularly and sensitively about their money issues. However, every employee's financial circumstances are personal, and many staff will be initially reluctant to talk. Staff will only confide in their managers about their financial worries if they can trust them to be non-judgemental and helpful.

### **Public sector employers most likely to review pay fairness**

Public sector organisations are most likely to regularly review their pay structures, levels and increases to ensure fairness (91%), while the voluntary sector is least likely to do so (69%). Conversely, these two sectors are less likely than others to regularly review bonus and incentive decisions to ensure fairness or to guarantee 16 hours' work for those who want it. In part, this might reflect that bonus payments are less common in these sectors and are typically only given to certain groups of employees, such as senior staff or fundraisers.

Although 85% of manufacturing organisations review the fairness of their pay structures and 59% review benefits, only 15% go on to communicate the findings of such reviews to employees.

It's notable that only 7% of the retail, hospitality, catering, leisure, and cleaning firms ask employees about their financial wellbeing at least once a year – compared with 20% overall – and not one of them supports and develops their line managers so they can talk to staff about financial wellness.

The public sector is most likely to have a policy to reduce in-work poverty (18%).

*'In an organisation where most people are well paid, there are people facing dire financial straits. It's like a zombie movie and it's awful. But they walk among us, and they work among us. People who are dealing with real demons and for whom some of these things would be vital to help them stay afloat.'* (Senior Practitioner Panel comment)

### **Larger organisations are doing more**

As a rule, larger employers are more likely than smaller organisations to offer the elements of financial wellbeing that we explore in our survey. For example, 77% of SMEs regularly review their pay structures to ensure fairness, while 90% of very large organisations do so. One exception is in guaranteeing their employees 16 hours of work a week if desired. While 52% of SMEs do this, only 38% of large and 20% of very large organisations offer such a guarantee.

Generally, there is not a large difference in approaches according to the organisation's financial situation – even among those who are a little worse off. The stark exception is among those who report being 'a lot worse off', who are less likely to offer the elements of financial wellbeing we look at.

*More information can be found in Table 1 in the Appendix.*

## Financial wellbeing policies

### Few have a financial wellbeing policy

Just 18% of organisations have a financial wellbeing policy, either as part of a wider employee health and wellbeing policy (14%) or as a standalone financial wellbeing policy (4%). A further 20% plan to implement one in 2022. The CIPD's winter 2021-22 *Labour Market Outlook* finds that 13% are looking to introduce new benefits, or improve existing ones, to boost employee financial wellbeing in 2022, so the direction of travel is upwards.

On the one hand, this contrasts with our previous survey, when 31% reported that they already had a policy. On the other hand, our latest findings are similar to the CIPD *Health and Wellbeing at Work* survey 2021, which reports that 19% of respondents agreed that their employer had a financial wellbeing strategy that considers the needs of different employee groups.

The private services sector is less likely than others to have such a policy; not a single respondent from the retail, hospitality, catering, leisure, and cleaning subsector reports having a standalone policy, while only 6% have one as part of a wider wellbeing policy. However, this sector is among the most likely to plan such a policy, with 28% intending to develop a policy by October 2022. Many voluntary sector organisations (30%) also have plans for developing a policy. Most public sector organisations (79%) neither have, nor plan to have, a financial wellbeing policy.

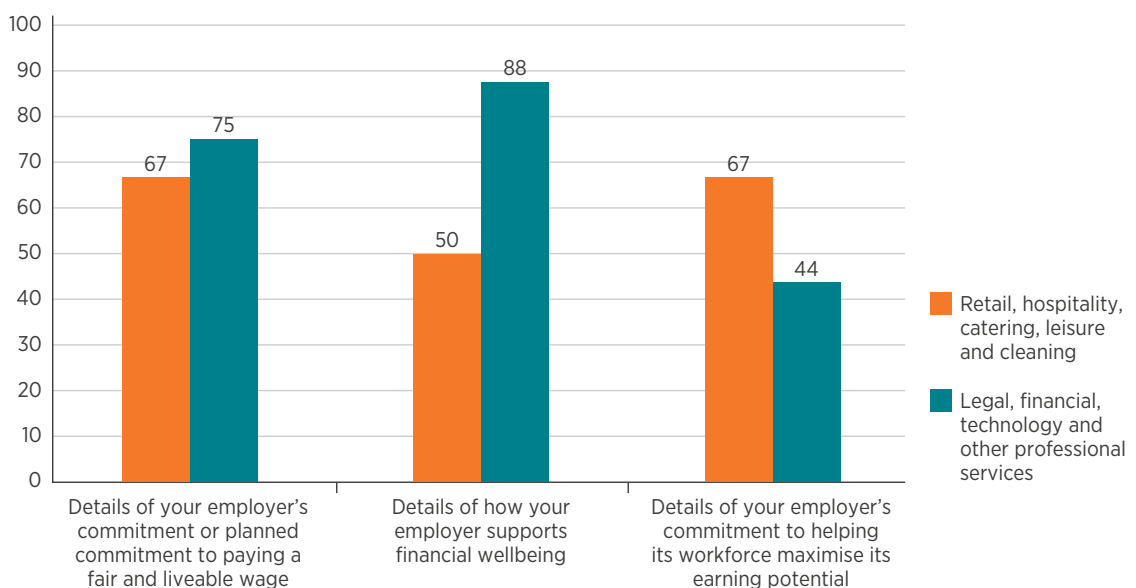
Organisations that report being 'a lot worse off' financially are least likely (24%) to report they have a policy or have no plans to introduce one.

*More information can be found in Table 2 in the Appendix.*

### What's in a financial wellbeing policy?

Among those organisations that have or plan a policy, the most common element is information on how the organisation supports financial wellbeing (85%). A smaller number detail the organisation's commitment to paying a fair and liveable wage (69%). A minority (42%) emphasise the employer's commitment to helping its employees to maximise their earnings.

**Figure 2: Elements of financial wellbeing policy, within private services sector (%)**



Base: n=44. Percentage of those who have or plan a policy.



These proportions stay much the same between the different sectors, but within the private services sector, Figure 2 shows that there is considerable variation between retail, hospitality, catering, leisure, and cleaning companies, and legal, financial, technology and other professional services firms.

The retail, hospitality, catering, leisure, and cleaning subsector is very much less likely to include details of how the employer supports financial wellbeing, but much more likely to include the employer’s commitment to helping the workforce maximise its earnings.

We would have thought that legal, financial, technology, and other professional services firms might have been just as likely to include a commitment to helping staff to increase their earnings. Similarly, retail, hospitality, catering, leisure, and cleaning businesses might be losing out on an opportunity to communicate to staff the various ways they are supporting their employees’ financial wellbeing.

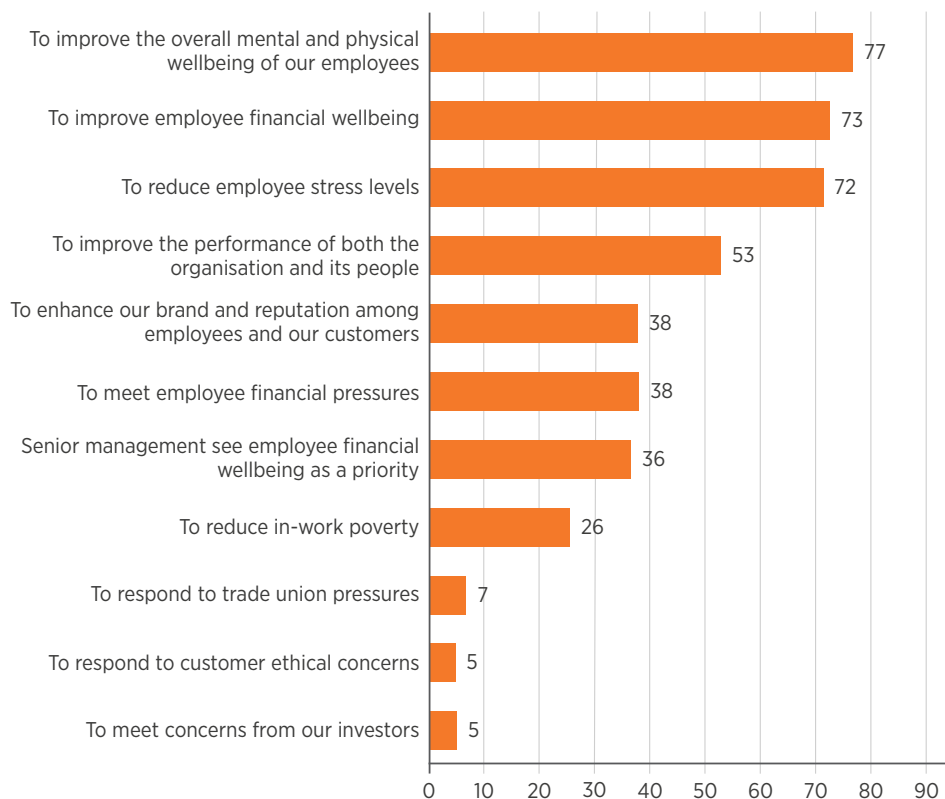
*More information can be found in Table 3 in the Appendix.*

**Why have a formal financial wellbeing policy?**

Among those employers that have – or plan to have – a financial wellbeing policy, Figure 3 shows that the most common reason for a policy is to improve the overall mental and physical wellbeing of employees (77%), closely followed by improving employee financial wellbeing (73%) and reducing employee stress levels (72%).

Only half have a financial wellbeing policy in order to improve the performance of the organisation and its people, while only a third have it to meet employee financial pressures, enhance their brand among employees and customers, or because senior management see it as a priority.

**Figure 3: Reasons for a financial wellbeing policy (%)**



Base: n=74. Percentage of those who have or plan a policy.

The desire to improve employees' overall mental and physical wellbeing is highest in the manufacturing and production (87%), and voluntary (80%) sectors. This is mentioned less by the public sector (67%) and the retail, hospitality, catering, leisure, and cleaning subsector (67%).

The most common reason for a policy given by voluntary sector respondents is the desire to reduce employee stress levels (80%). Public sector respondents are much more likely than any others to mention reducing in-work poverty (50%) and responding to trade union pressures (50%).

Smaller organisations are more likely to cite improving employees' mental and physical wellbeing and reducing employee stress levels than larger ones, but less likely to be concerned by enhancing their brand and meeting employee financial pressures.

Although reducing in-work poverty is only mentioned by 25% of those with a policy, that figure rises to 43% among organisations who feel they are 'a lot worse off' since the beginning of 2020, and 33% among those who feel their staff are similarly worse off.

*More information can be found in Table 4 in the Appendix.*

While improving mental, physical, and financial wellbeing are the most common explanations for having a policy, whether the policy actually achieves this is another matter. HR teams need to help employers assess whether these objectives are being met, such as by checking with employees and line managers for their perspectives, as well as collecting and evaluating employee wellbeing data. It also makes sense to communicate to people why the policy exists and how it is being implemented, so they are better informed to comment on whether it's working or not.

### **Employees value a financial wellbeing policy**

Employers wishing to stand out in the labour market should invest in creating and communicating a financial wellbeing policy. The CIPD's survey of over 2,500 workers finds that 59% believe it is important that their current employer has a policy in place to support and improve their financial wellbeing. When it comes to the next employer, 65% think that having such a policy would be an important factor in their move.

Having a policy can also be beneficial to people, our employee survey finds. For example, in organisations where those questioned say there is a financial wellbeing policy, 76% report that they feel in control of their finances. In employers where employees say there is no policy in place, this proportion falls to 64%.

Overall, 63% of those whose main employer doesn't have a policy would not be comfortable asking for help if they were to face financial problems, in contrast to those whose employers do have a policy at 41%. While 47% of those working for an employer without a policy agree that there is a stigma attached to talking about money worries at their workplaces, this proportion falls to 36% among those working for a firm with a policy.

Other benefits for employees include:

- Improvements in financial wellbeing – 31% of employees who work for an employer with a wellbeing policy report that their financial wellbeing has improved since January 2020; by contrast, just 21% of those working for an employer without a policy can claim the same.
- Positive impact – 71% of those working for an employer with a wellbeing policy say that their main employer has a positive effect on their financial wellbeing; just 45% of those working for an organisation without a policy say the same.

- Doing enough – 60% of those employed by an organisation with a wellbeing policy say their employer is doing enough to support their financial wellbeing, while just 28% of those working for an employer without a policy say the same thing.
- Better sick pay – 71% of employees who work for an organisation with a wellbeing policy say that if they had to take ten days off ill, their employer would still pay them their full wage for this period; by contrast, just 50% of those working for an employer without a policy said the same.
- Better pensions – 64% of those working for an employer with a wellbeing policy say that their main employer has a generous pension scheme; just 26% of those who work for an organisation that doesn't have a policy say the same.

Those who work for an employer with a financial wellbeing policy are much more likely to:

- agree that their job protects them from poverty (82% vs 66% of those not covered by a policy)
- know what they need to do in order to get a pay rise (36% vs 16%)
- be satisfied with their employee benefits package (70% vs 28%), find them quick and easy to access (67% vs 30%), and agree that the package supports them at different stages of their life (60% vs 19%)
- feel in control of their finances (76% vs 64%)
- say that their pay is enough to help them save for retirement (61% vs 41%)
- feel comfortable asking for help from their main employer if they were to face financial problems (32% vs 17%).

Employers with a financial wellbeing policy are also more likely to try to communicate about the benefit package. Among workers employed by an employer with a financial wellbeing policy:

- 8% say that their main employer has never told them what benefits are on offer (compared with 42% of those without a policy).
- 6% say that their main employer has never communicated how to get these benefits (compared with 45%).
- 9% report that their main employer has never explained how these benefits could be useful (compared with 49%).
- 16% claim that it has never been communicated why these benefits are offered (compared with 52%).

Employees who say that their main employer has a policy are also more likely to say that it has asked them if they would like support with their financial wellbeing (31%), compared with those working for an employer without a policy (5%). Similarly, people working for an employer with a policy are more likely to say their employer followed up on this and provided financial wellbeing support (68%) than those working for an employer without a policy (35%). Among those who said their employers did follow up with support, 71% of those employed by an employer with a policy said this support was useful.

However, even though employees in organisations with a financial wellbeing policy tend to be more relaxed about talking about their financial worries, there are still opportunities

for improvement. HR professionals should use the techniques that have helped reduce the stigma that workers have felt when talking about their mental health, their sexuality, or the impact of the menopause.

It is perhaps not surprising to find that those individuals employed by organisations that already have a wellbeing policy are more likely to say it's important that both their current (81%) and their future (81%) employers have such a policy. For employers wishing to attract or retain talent, having a financial wellbeing policy that they can advertise to potential talent will be an advantage.

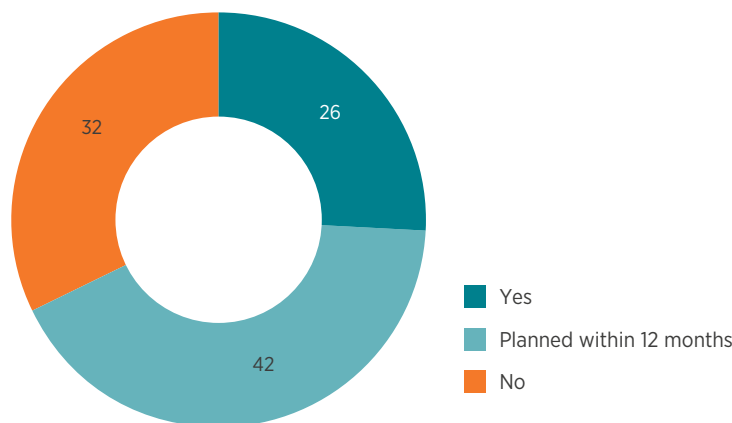
Our research also reveals that when it comes to employee benefits, the lowest paid who are covered by a financial wellbeing policy are around as positive in their responses as the highest paid workers not covered by a policy. For example, 48% of those receiving less than £20,000 covered by such a policy agree that 'My employer offers a generous pension scheme'. By contrast, 46% of the highest paid earning £70,000 or more not covered by a policy agree with that statement. In other words, if you do not have a policy, then you must effectively pay people £70K or more to get a similar result as those earning less than £20k covered by a policy.

Who are those covered by a financial wellbeing policy? In total, 20% of our total sample report being covered by such a policy, but there is a link to income here. While 14% of all those employees earning less than £20,000 work for an organisation with a policy, this portion increases to 16% for those earning between £20,000 and £39,999, to 24% for those being paid between £40,000 and £59,999, and to 28% for those earning over £60,000.

Among those in our sample that are covered by such a policy, around half of them (48%) earn less than £40,000.

### Few policies have financial backing

Figure 4: Proportions of policies backed by a budget (%)



Base: n=74. Percentage of those who have or plan a policy.

Figure 4 shows that just 26% of those who have such a policy back it with a budget, although a further 42% plan to do so by October 2022. While 50% of public sector organisations have a budget, only 20% of the voluntary sector does so. The retail, hospitality, catering, leisure, and cleaning subsector (17%) is least likely to back their policy with a budget. However, those who are currently least likely to fund their policy are among those *most* likely to plan to do so within a year; 50% of the retail, hospitality, catering, leisure, and cleaning subsector, and 60% of the voluntary sector have such plans.

SMEs (25%) are much more likely to back their policy with a budget than large organisations (15%) and are also more likely to introduce a budget by October 2022.

Surprisingly, it is those organisations who report being ‘much worse off’ than at the start of 2020 that are more likely than others to back their policy with a budget. Perhaps less surprising is the trend for those who consider their employees to have been hardest hit in recent months to support their policy with a budget.

Given the positive impact that employees covered by a financial wellbeing policy report, it makes sense for HR teams to make the business case for not only creating a policy but backing it with money as well. The fact that many employers are planning to back their words with money this year indicates a recognition that a policy that is not resourced will be less effective than a policy that has financial backing.

*More information can be found in Table 5 in the Appendix.*

## Conclusion and recommendations

Having a financial wellbeing policy, which can cover such issues as commitment to paying a fair and liveable wage or helping its workforce to maximise their earnings, is something that employees welcome.

First, we would recommend that HR teams help their employers create a definition of financial wellbeing. A detailed definition could help management to assess what the organisation is already doing, identify where improvements can be made and set the direction of travel. A simpler definition could be used when the organisation talks to employees, line managers, investors, the media, and so on.

One simple definition that HR teams could use as a starting point is the one used by Muir et al in *Exploring Financial Wellbeing in the Australian Context*. They say financial wellbeing exists when a person can meet their expenses and has some money left over, is in control of their finances, and feels financially secure, currently and in the future. An example of a more complex definition is the one used by Rutherford and Fox, which is highlighted in our [practice guidance and summary report](#) accompanying our evidence review on financial wellbeing. This definition covers both subjective and objective financial status, as well as financial attitudes, behaviours, and knowledge.

Once agreement has been reached about what the organisation means by employee financial wellbeing, we recommend that HR teams help implement this definition, preferably supported by a budget. We recommend that HR teams tailor the financial wellbeing strategy so that it reflects the diversity of the workforce and design it flexibly so that it continues to meet people’s changing needs.

Because financial wellbeing is closely linked to people’s income, we recommend that the financial wellbeing approach should be linked to pay policies that are fair and pay a liveable wage. The policy could also include supporting in-work progression, providing financial education, and offering benefits that reduce living costs or give financial protection.

Certain groups and people at particular life stages may benefit both from more financial guidance or support and different types of guidance or support; those going through life changes or traumas – such as separation, illness, or bereavement – may require additional support when, for example, being asked to make benefit decisions.

Our survey of employees finds that 61% say that being able to understand money better, so they know how best to borrow, spend, save, and invest it, is an important aspect of their financial wellbeing. However, while financial education can be a useful element of financial wellbeing, [research shows](#) that it's not a silver bullet.

To make financial education more effective, we recommend that HR teams ensure that it is topically relevant to the various needs of employees or the financial decisions that they need to make. Learning content should also be based on insights from behavioural science, accurate and up to date, and presented by knowledge experts. The format of programmes should include experiential learning through classroom activities and give relevant examples to accompany assignments. HR teams should consider how the employer can deliver on-demand, just-in-time learning, so that it is more likely to be used when people make financial decisions.

Debt counselling can be very effective in helping those struggling with finances, so it should be included in financial wellbeing strategies. However, its effectiveness depends on getting it to those who really need it and persuading them that it is worth their while engaging with it. It's also important that the employer recognises the limitations of debt counselling on its own, especially for those who are on a low income. In such instances, paying a fair and liveable wage and providing secure working hours should also be seen as important priorities.

Organisations are increasingly offering employee financial wellness programmes, which can include such support as financial coaching, online financial management tools, hardship loans, earned salary access, occupational sick pay, and so on. While there is clear potential for various services to help employees who fall into financial distress, evidence is lacking on how effective employee financial wellbeing benefit programmes are in fostering financial wellness, and what the success factors are. So, we recommend that HR teams trial these interventions first.

As was raised by our practitioner workshops, managing workforce financial wellbeing is a sensitive matter. For example, some organisations have received attention for the missteps they made when advising customers on how to reduce their energy consumption. However, we recognise that avoiding stigma and overcoming a natural reluctance to declare money worries is not easy to do. We recommend that HR teams explore ways in which conversations about financial wellbeing can be normalised and to signpost individuals to relevant sources of help. This might also involve supporting line managers to encourage their team to open up if they have money issues, so that they can be directed to appropriate sources of help.

# Appendix

**Table 1: Which of the following elements of financial wellbeing does your organisation offer? (%)**

| <b>Our organisation...</b>  | <b>regularly reviews its pay structures, levels, and increases to ensure fairness</b> | <b>regularly reviews the benefits package to ensure fairness</b> | <b>is open with employees about pay/benefits on offer, why provided, and what people need to do to receive them</b> | <b>regularly reviews bonus and incentive decisions to ensure fairness</b> | <b>guarantees all employees at least 16 hours of work a week (if desired)</b> | <b>asks employees for feedback about what they think of pay and benefits on offer at least once a year</b> | <b>communicates the findings of its reviews into pay and benefit fairness to employees</b> |
|---|---|--|---|---|---|--|--|
| All   | 81  | 59   | 58  | 52  | 46  | 40   | 31   |
| <b>By sector</b>  |   |  |   |   |   |  |  |
| Manufacturing and production  | 85  | 59   | 53  | 65  | 47  | 29   | 15   |
| Private services sector, of which:                                    | 80  | 62   | 57  | 61  | 54  | 40   | 31   |
| Retail, hospitality, catering, leisure and cleaning                   | 79  | 50   | 64  | 64  | 29  | 29   | 36   |
| Legal, financial, technology and other professional services          | 74  | 67   | 58  | 63  | 60  | 44   | 33   |
| Other private sector  | 85  | 60   | 55  | 58  | 55  | 40   | 28   |
| Public sector   | 91  | 59   | 64  | 27  | 27  | 45   | 36   |
| Voluntary, community and not-for-profit                               | 69  | 52   | 62  | 21  | 31  | 48   | 48   |
| <b>By size</b>  |   |  |   |   |   |  |  |
| SME (<250)  | 77  | 58   | 56  | 52  | 52  | 40   | 33   |
| Large (250–9,999)   | 86  | 64   | 60  | 52  | 38  | 36   | 21   |
| Very large (10,000+)  | 90  | 50   | 70  | 50  | 20  | 60   | 70   |
| <b>Organisation's financial situation compared with start of 2020</b> |   |  |   |   |   |  |  |
| A lot worse off   | 69  | 45   | 59  | 45  | 45  | 34   | 21   |
| A bit worse off   | 88  | 62   | 65  | 47  | 44  | 38   | 41   |
| About the same  | 83  | 68   | 58  | 49  | 47  | 46   | 34   |
| A bit better off  | 82  | 62   | 60  | 62  | 38  | 42   | 33   |
| A lot better off  | 76  | 47   | 41  | 47  | 71  | 29   | 18   |
| <b>Employees' financial situation compared with start of 2020</b>     |   |  |   |   |   |  |  |
| A lot worse off   | 73  | 36   | 91  | 55  | 64  | 36   | 18   |
| A bit worse off   | 77  | 55   | 52  | 43  | 42  | 37   | 28   |
| About the same  | 83  | 56   | 57  | 49  | 44  | 37   | 33   |
| A bit better off  | 88  | 77   | 65  | 70  | 51  | 49   | 40   |
| A lot better off  | 50  | 67   | 17  | 33  | 50  | 50   | 0  |

Table continues on next page.

Table 1 (continued)

| Our organisation...   | encourages staff to talk about their money worries in the workplace | asks employees about their financial wellbeing at least once a year | actively tests the understanding of staff about the pay and benefits on offer | supports and develops line managers so they can talk to staff about financial wellbeing | targets communications about employee benefits and financial education to specific groups of employees | has a policy to reduce in-work poverty |
|---|---|---|---|---|--|--|
| All   | 22  | 20  | 18  | 17  | 14   | 6                                      |
| <b>By sector</b>  |   |   |   |   |  |  |
| Manufacturing and production  | 21  | 12  | 24  | 24  | 12   | 9                                      |
| Private services sector, of which:                                    | 22  | 21  | 18  | 15  | 15   | 4                                      |
| Retail, hospitality, catering, leisure and cleaning                   | 14  | 7   | 21  | 0   | 14   | 0                                      |
| Legal, financial, technology and other professional services          | 16  | 21  | 19  | 14  | 16   | 7                                      |
| Other private sector  | 28  | 25  | 17  | 19  | 13   | 2                                      |
| Public sector   | 14  | 32  | 5   | 14  | 18   | 18                                     |
| Voluntary, community and not-for-profit                               | 28  | 17  | 21  | 21  | 10   | 3                                      |
| <b>By size</b>  |   |   |   |   |  |  |
| SME (<250)  | 24  | 17  | 17  | 17  | 13   | 4                                      |
| Large (250–9,999)   | 17  | 24  | 17  | 19  | 17   | 9                                      |
| Very large (10,000+)  | 20  | 30  | 30  | 0   | 10   | 20                                     |
| <b>Organisation's financial situation compared with start of 2020</b> |   |   |   |   |  |  |
| A lot worse off   | 24  | 24  | 7   | 14  | 14   | 10                                     |
| A bit worse off   | 18  | 24  | 26  | 18  | 15   | 6                                      |
| About the same  | 24  | 19  | 22  | 22  | 20   | 7                                      |
| A bit better off  | 25  | 24  | 18  | 15  | 11   | 5                                      |
| A lot better off  | 6   | 0   | 6   | 6   | 0  | 0                                      |
| <b>Employees' financial situation compared with start of 2020</b>     |   |   |   |   |  |  |
| A lot worse off   | 18  | 27  | 9   | 18  | 9  | 9                                      |
| A bit worse off   | 28  | 22  | 18  | 15  | 17   | 5                                      |
| About the same  | 20  | 20  | 19  | 16  | 12   | 5                                      |
| A bit better off  | 19  | 14  | 21  | 21  | 16   | 9                                      |
| A lot better off  | 0   | 33  | 0   | 17  | 0  | 0                                      |

Base: n=195.



**Table 2: Does your organisation have an employee financial wellbeing policy? (%)**

|   | Yes, a standalone policy | Yes, part of a wider employee health and wellbeing strategy | Planned within 12 months | No |
|---|--------------------------|---|--------------------------|----|
| All   | 4                        | 14  | 20                       | 62 |
| <b>By sector</b>  |                          |   |                          |    |
| Manufacturing and production  | 6                        | 17  | 28                       | 50 |
| Private services sector, of which:                                    | 4                        | 11  | 18                       | 67 |
| Retail, hospitality, catering, leisure and cleaning                   | 0                        | 6   | 28                       | 67 |
| Legal, financial, technology and other professional services          | 4                        | 13  | 19                       | 65 |
| Other private sector  | 5                        | 12  | 14                       | 68 |
| Public sector   | 4                        | 19  | 7                        | 70 |
| Voluntary, community and not-for-profit                               | 3                        | 17  | 30                       | 50 |
| <b>By size</b>  |                          |   |                          |    |
| SME (<250)  | 3                        | 13  | 24                       | 60 |
| Large (250–9,999)   | 6                        | 12  | 14                       | 68 |
| Very large (10,000+)  | 8                        | 33  | 8                        | 50 |
| <b>Organisation's financial situation compared with start of 2020</b> |                          |   |                          |    |
| A lot worse off   | 0                        | 15  | 9                        | 76 |
| A bit worse off   | 5                        | 13  | 21                       | 62 |
| About the same  | 3                        | 13  | 22                       | 63 |
| A bit better off  | 7                        | 15  | 25                       | 53 |
| A lot better off  | 5                        | 11  | 16                       | 68 |
| <b>Employees' financial situation compared with start of 2020</b>     |                          |   |                          |    |
| A lot worse off   | 0                        | 6   | 12                       | 82 |
| A bit worse off   | 6                        | 20  | 18                       | 55 |
| About the same  | 4                        | 10  | 20                       | 67 |
| A bit better off  | 5                        | 16  | 28                       | 51 |
| A lot better off  | 0                        | 14  | 0                        | 86 |

Base: n=216.

**Table 3: Which of the following does (or will) your financial wellbeing policy include? (%)**

| Details of...   | your employer's<br>commitment or<br>planned<br>commitment to<br>paying a fair and<br>liveable wage | how your<br>employer<br>supports<br>financial<br>wellbeing | your employer's<br>commitment to<br>helping its<br>workforce<br>maximise its<br>earnings |
|---|--|--|--|
| All   | 69   | 85   | 42   |
| <b>By sector</b>  |  |  |  |
| Manufacturing and production  | 73   | 93   | 40   |
| Private services sector, of which:                                    | 69   | 80   | 49   |
| Retail, hospitality, catering, leisure and cleaning                   | 67   | 50   | 67   |
| Legal, financial, technology and other<br>professional services       | 75   | 88   | 44   |
| Other private sector  | 62   | 85   | 46   |
| Public sector   | 67   | 100  | 33   |
| Voluntary, community and not-for-profit                               | 67   | 80   | 33   |
| <b>By size</b>  |  |  |  |
| SME (<250)  | 73   | 87   | 47   |
| Large (250–9,999)   | 65   | 80   | 35   |
| Very large (10,000+)  | 50   | 83   | 33   |
| <b>Organisation's financial situation compared with start of 2020</b> |  |  |  |
| A lot worse off   | 71   | 86   | 71   |
| A bit worse off   | 54   | 92   | 46   |
| About the same  | 85   | 75   | 45   |
| A bit better off  | 62   | 88   | 35   |
| A lot better off  | 80   | 80   | 20   |
| <b>Employees' financial situation compared with start of 2020</b>     |  |  |  |
| A lot worse off   | 67   | 67   | 100  |
| A bit worse off   | 58   | 81   | 35   |
| About the same  | 73   | 91   | 45   |
| A bit better off  | 79   | 84   | 42   |
| A lot better off  | 100  | 100  | 0  |

Base: n=71.

**Table 4: What are the main reasons your organisation has a formal financial wellbeing policy, or has plans to introduce one, for employees? (%)**

|   | To improve the overall mental and physical wellbeing of our employees | To improve employee financial wellbeing | To reduce employee stress levels | To improve the performance of both the organisation and its people | To meet employee financial pressures | To enhance our brand and reputation among employees and our customers |
|---|---|---|----------------------------------|--|--------------------------------------|---|
| All   | 77  | 73                                      | 72                               | 53   | 38                                   | 38  |
| <b>By sector</b>  |   |   |                                  |  |                                      |   |
| Manufacturing and production  | 87  | 87                                      | 67                               | 47   | 53                                   | 27  |
| Private services sector, of which:                                    | 74  | 76                                      | 71                               | 50   | 39                                   | 45  |
| Retail, hospitality, catering, leisure and cleaning                   | 67  | 83                                      | 67                               | 50   | 33                                   | 67  |
| Legal, financial, technology and other professional services          | 76  | 88                                      | 71                               | 41   | 47                                   | 53  |
| Other private sector  | 73  | 60                                      | 73                               | 60   | 33                                   | 27  |
| Public sector   | 67  | 50                                      | 67                               | 50   | 33                                   | 33  |
| Voluntary, community and not-for-profit                               | 80  | 60                                      | 80                               | 67   | 20                                   | 33  |
| <b>By size</b>  |   |   |                                  |  |                                      |   |
| SME (<250)  | 80  | 73                                      | 80                               | 55   | 33                                   | 31  |
| Large (250-9,999)   | 68  | 74                                      | 63                               | 47   | 47                                   | 58  |
| Very large (10,000+)  | 83  | 67                                      | 33                               | 50   | 50                                   | 33  |
| <b>Organisation's financial situation compared with start of 2020</b> |   |   |                                  |  |                                      |   |
| A lot worse off   | 86  | 57                                      | 86                               | 43   | 43                                   | 43  |
| A bit worse off   | 69  | 92                                      | 85                               | 54   | 54                                   | 69  |
| About the same  | 81  | 62                                      | 62                               | 57   | 43                                   | 19  |
| A bit better off  | 73  | 73                                      | 73                               | 65   | 31                                   | 46  |
| A lot better off  | 83  | 83                                      | 50                               | 0  | 17                                   | 0   |
| <b>Employees' financial situation compared with start of 2020</b>     |   |   |                                  |  |                                      |   |
| A lot worse off   | 100   | 33                                      | 100                              | 33   | 33                                   | 33  |
| A bit worse off   | 75  | 75                                      | 64                               | 54   | 54                                   | 46  |
| About the same  | 74  | 83                                      | 78                               | 52   | 30                                   | 35  |
| A bit better off  | 79  | 68                                      | 68                               | 53   | 26                                   | 32  |
| A lot better off  | 100   | 0                                       | 100                              | 100  | 0                                    | 0   |

Table continues on next page.

Table 4 (continued)

|   | Senior management see employee financial wellbeing as a priority | To reduce in-work poverty | To respond to trade union pressures | To meet concerns from our investors | To respond to customer ethical concerns |
|---|--|---------------------------|-------------------------------------|-------------------------------------|---|
| All   | 36   | 26                        | 7                                   | 5                                   | 5                                       |
| <b>By sector</b>  |  |                           |                                     |                                     |   |
| Manufacturing and production  | 33   | 27                        | 0                                   | 0                                   | 0                                       |
| Private services sector, of which:                                    | 42   | 24                        | 5                                   | 5                                   | 3                                       |
| Retail, hospitality, catering, leisure and cleaning                   | 33   | 17                        | 0                                   | 0                                   | 0                                       |
| Legal, financial, technology and other professional services          | 53   | 35                        | 6                                   | 6                                   | 6                                       |
| Other private sector  | 33   | 13                        | 7                                   | 7                                   | 0                                       |
| Public sector   | 17   | 50                        | 50                                  | 0                                   | 17                                      |
| Voluntary, community and not-for-profit                               | 33   | 20                        | 0                                   | 13                                  | 13                                      |
| <b>By size</b>  |  |                           |                                     |                                     |   |
| SME (<250)  | 35   | 24                        | 4                                   | 8                                   | 4                                       |
| Large (250–9,999)   | 47   | 26                        | 5                                   | 0                                   | 11                                      |
| Very large (10,000+)  | 17   | 33                        | 33                                  | 0                                   | 0                                       |
| <b>Organisation's financial situation compared with start of 2020</b> |  |                           |                                     |                                     |   |
| A lot worse off   | 43   | 43                        | 43                                  | 14                                  | 29                                      |
| A bit worse off   | 38   | 31                        | 0                                   | 0                                   | 0                                       |
| About the same  | 29   | 29                        | 5                                   | 10                                  | 5                                       |
| A bit better off  | 42   | 19                        | 4                                   | 4                                   | 4                                       |
| A lot better off  | 33   | 0                         | 0                                   | 0                                   | 0                                       |
| <b>Employees' financial situation compared with start of 2020</b>     |  |                           |                                     |                                     |   |
| A lot worse off   | 33   | 33                        | 33                                  | 33                                  | 33                                      |
| A bit worse off   | 36   | 29                        | 11                                  | 0                                   | 7                                       |
| About the same  | 35   | 30                        | 0                                   | 13                                  | 4                                       |
| A bit better off  | 42   | 16                        | 5                                   | 0                                   | 0                                       |
| A lot better off  | 0  | 0                         | 0                                   | 0                                   | 0                                       |

Base: n=74.

**Table 5: Is your policy backed up by a budget? (%)**

|   | Yes | Planned within 12 months | No |
|---|-----|--------------------------|----|
| All   | 26  | 42                       | 32 |
| <b>By sector</b>  |     |                          |    |
| Manufacturing and production  | 27  | 33                       | 40 |
| Private services sector, of which:                                    | 24  | 45                       | 32 |
| Retail, hospitality, catering, leisure and cleaning                   | 17  | 50                       | 33 |
| Legal, financial, technology and other professional services          | 29  | 41                       | 29 |
| Other private sector  | 20  | 47                       | 33 |
| Public sector   | 50  | 0                        | 50 |
| Voluntary, community and not-for-profit                               | 20  | 60                       | 20 |
| <b>By size</b>  |     |                          |    |
| SME (<250)  | 25  | 48                       | 27 |
| Large (250–9,999)   | 15  | 35                       | 50 |
| Very large (10,000+)  | 67  | 17                       | 17 |
| <b>Organisation's financial situation compared with start of 2020</b> |     |                          |    |
| A lot worse off   | 43  | 29                       | 29 |
| A bit worse off   | 23  | 38                       | 38 |
| About the same  | 27  | 55                       | 18 |
| A bit better off  | 24  | 36                       | 40 |
| A lot better off  | 17  | 50                       | 33 |
| <b>Employees' financial situation compared with start of 2020</b>     |     |                          |    |
| A lot worse off   | 33  | 67                       | 0  |
| A bit worse off   | 25  | 36                       | 39 |
| About the same  | 26  | 43                       | 30 |
| A bit better off  | 21  | 47                       | 32 |
| A lot better off  | 100 | 0                        | 0  |

Base: n=74.



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