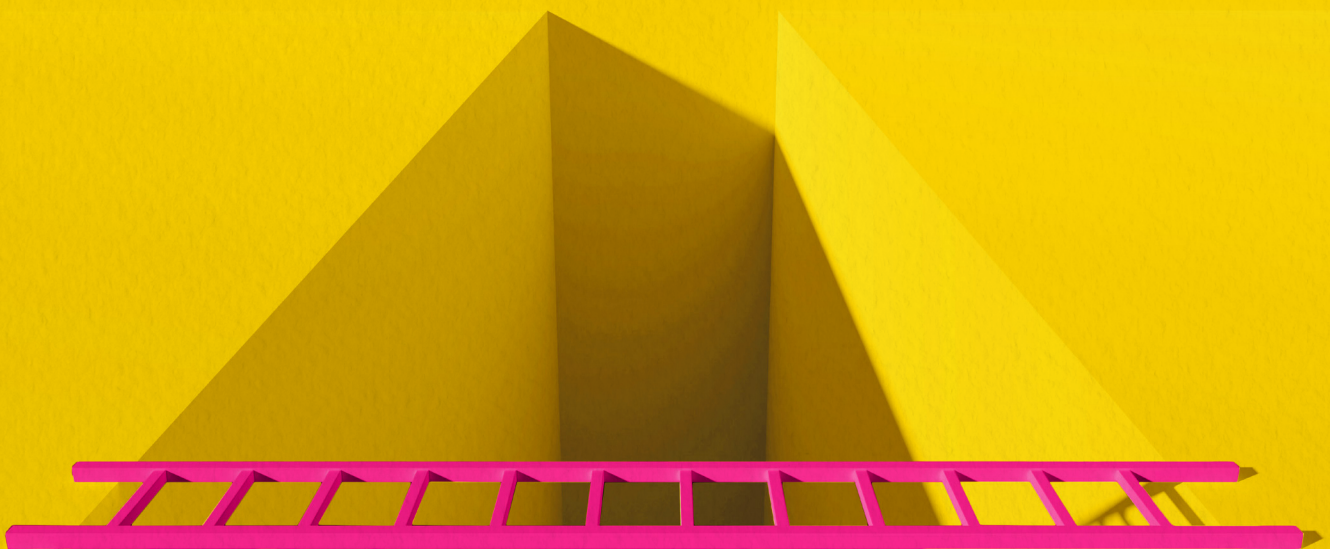




Mind the Gap

How the cost of living crisis is shaking
and shaping HR actions in 2023 – and a
gap between HR views and employee
expectations is emerging.



Surveys from:

YouGov



HRNINJAS

Lizzie Henson

Founder of HR Ninjas

A new pressure on HR professionals.

HR has always been a demanding area to work in. But in 2023, HR professionals are finding their responsibilities stretch far beyond their traditional roles.

The twin impacts of inflation and interest rate rises are being felt strongly by employees, hampering their performance, mood and in some cases, even their ability to get to work at all. And in a recent YuLife survey, conducted in partnership with HR Ninjas, **91% of HR professionals say they feel responsibility to help.**

Lizzie Henson, founder of HR Ninjas, is taken aback by the figure. “The feeling of responsibility was much higher than I expected,” she says. “I really feel for the HR tribe.” She’s seen up close what a difficult time the profession’s been having in recent years. “There are 24,000 HR professionals in our Facebook group, and they’re burnt out,” she says, as they move from the pandemic and the challenges it created, to the cost-of-living crisis.

“I’m seeing post after post from HR professionals who are really struggling for themselves, and their own mental wellbeing. And carrying that weight plus the burden of helping everybody else with their cost-of-living – that’s just an additional pressure.”



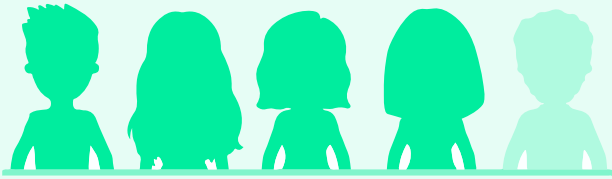
About HR Ninjas

The HR Survey was conducted by HR Ninjas between 10-17 December 2022, with 537 HR professionals respondents. HR Ninjas is the UK’s largest free online HR community, founded by Lizzie Henson. It supports HR leaders with a Facebook Community Group of more than 24,000* HR professionals and a jobs board.

www.thehrninjas.co.uk

*number correct at time of publication

4 in 5



79% of people are more worried about the cost of living.



9 in 10 HR professionals feel their level of concern about employees' financial wellbeing has **increased over the past year**.

About YouGov

The YuLife Financial Wellbeing Survey, conducted by YouGov Plc between 8 and 9 December 2022, included a total sample size of 2,062 respondents. The figures have been weighted, and are representative of all UK adults (18+).

YouGov[®]

It was back in early summer that Lizzie first saw posts around cost of living appear on the page. “HR professionals were saying it was coming, and asking what everybody was doing in their organisation to help,” she recalls. There was so much traffic on this issue, Lizzie created a separate Facebook group purely focused on the topic. “Within 48 hours, 1,000 people joined,” she says. “And now we’re sitting at 2,000 – and it’s a very active and engaged community.”

It’s clear that the cost-of-living crisis is a huge topic for HR. But what can, and should, HR professionals be doing to help?

To find out, YuLife commissioned two surveys: one canvassing UK adults in partnership with YouGov, and another canvassing HR professionals, in partnership with HR Ninjas – and the results are eye-opening.

Here, we assess these findings, and what they can tell us about how HR professionals can best target their efforts in 2023 and beyond.

The Findings

Download our infographic to see our survey findings.



Is help getting through?

It's clear the profession is taking the cost-of-living crisis seriously. In the HR Ninjas survey, 92% of HR professionals say their level of concern about employees' financial wellbeing has increased over the past year. And 91% feel it's their responsibility to improve employees' sense of financial wellbeing beyond paying salaries.

But is help getting through? Here, it seems that some HR departments' perceptions might be at odds with those of the general public.

A majority of HR professionals (54%) say they believe employees proactively request additional financial wellbeing support. Only 46% believe this rarely or never happens. Similarly, 58% say their organisation creates an atmosphere where employees feel comfortable telling managers they're experiencing financial stress.

But that conflicts with the YouGov survey, which found that only 24% – less than a quarter – of UK working adults would be comfortable telling an employer they feel financial stress. Indeed, almost two-thirds (66%) say they'd feel uncomfortable discussing this issue with their managers.

The two surveys also suggest some HR professionals overestimate how well existing financial wellness policies are communicated to staff.

In the HR Ninjas survey, 48% of HR professionals say their workplace has policies or initiatives to improve employee's financial wellbeing. Yet in the YouGov survey, only 42% of UK working adults were aware of such policies or initiatives. (41% believe they don't exist, and an additional 16% don't know if they do or not.)

There's a gap between what support HR leaders and employees believe is being delivered.



Over half of HR professionals **agree** that the financial crisis means they now **offer more financial wellbeing support to employees than before.**



But just 5% of working adults **agree** their workplace has a **comprehensive set of financial wellbeing policies.**

Furthermore, 20% of UK working adults say their workplace does not clearly explain the financial support it can offer to help with financial wellbeing. When added to the 41% whose workplace offers no financial support, that means 61% of staff either receive no financial support or their workplace doesn't clearly explain what it offers.

So how can this disconnect be resolved? We asked Lizzie Henson, founder of HR Ninjas, and Paul Caudwell, Client Success & Wellbeing Specialist at YuLife, for their insights...

Improving communications.

Before joining YuLife, Paul Caudwell led the Colleague Wellbeing strategy at Co-op, where he worked for 14 years. And given his experience in the field, he accepts that HR professionals' efforts to promote existing benefits may not, in some cases, be cutting through.

"I guess that's not completely surprising," says Paul. "If you look at the people-profession marking their own homework, they're generally an optimistic group of people. And you need to be, because you're facing into so much, all the time."

If there is a disconnect between HR and employees, though, he feels it's more of a broader societal issue than anything HR professionals are doing wrong.

"Money is still some way behind mental health in terms of people being open about it," he believes. "So I'm absolutely sure that where HR professionals are saying they're creating the right atmosphere, that's genuine. But whether the employees feel that... that can take a little bit longer to follow on from the work you do to establish credibility in the space."

"Money is still some way behind mental health in terms of people being open about it."

Paul Caudwell, Client Success & Wellbeing Specialist, YuLife

Paul Caudwell

Client Success & Wellbeing
Specialist at YuLife



“It’s one thing saying you’ve got group income protection, but do employees really know what that means, or what that can give them?”

Lizzie Henson,
Founder of HR Ninjas

HR Ninjas founder Lizzie Henson is also not surprised if there’s sometimes a divergence between the benefits companies are offering and awareness of those benefits among employees.

“I’ve witnessed that for myself, working in HR,” she says. “It’s long been the case that colleagues will tell you: ‘I didn’t know I got that benefit!’ It’s frustrating: you wonder, ‘What do we need to do more to actually bring this to life?’ Because ultimately, there’s no point in offering a benefit if people don’t know about it.”

But while it can be frustrating when your messaging doesn’t seem to be cutting through, Lizzie believes there’s no real alternative but to keep trying, and find more imaginative and effective ways to promote existing benefits.

“Your employee benefits are such an important part of your total employee offering,” Lizzie points out. “So it’s really, really important to make colleagues aware of them, and how they can help them in practical terms.

“For instance, it’s one thing saying you’ve got group income protection. But do employees really know what that means, or what that can give them? It’s just words, isn’t it? You need to actually bring it to life.”

Most don’t feel comfortable discussing their concerns.



3 in 5 HR professionals feel their organisation **creates an atmosphere in which employees feel comfortable discussing financial concerns.**



Yet, two thirds of working adults would be **uncomfortable telling an employer that they feel financial stress.**

Help beyond existing benefits.

Aside from promoting and communicating existing benefits, what else can HR professionals be doing to help their colleagues with the cost of living crisis?

“That’s the hardest question of all,” says Paul. “The first thing is: can you afford to do something? Some businesses simply can’t, and so you just have to accept that. But if yours can, and you’re going to do something, it needs to be meaningful. So you need to know: ‘Who are your people? What’s going on for them right now? And what’s going to make the biggest difference?’”

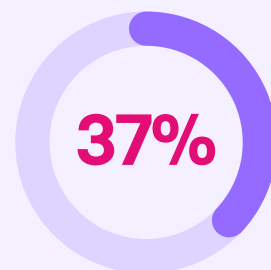
Paul notes, for example, the media attention some companies garnered after giving one-off payments to staff. “That’s great if your employees aren’t on Universal Credit, or state benefits,” he says. “But if they are, they’ll lose money from their benefits as a result. And that actually creates more anxiety than the really nice feeling you want to give. So in these cases, people would actually appreciate something like shopping vouchers a lot more.”

That doesn’t mean one-off payments are bad in themselves, of course: it’s purely about whether they’re appropriate. And that points to the importance of good, two-way communication.

“You’ve got to be open, vulnerable, transparent,” Paul stresses. “And if your employer can’t afford to do anything, the least you can do is face into it and be honest about it. If you’re human and act with humility, then people will listen and hear what you have to say.”

Lizzie adds that, even if you have little or no budget, there are plenty of ways that HR professionals can help employees at low cost, or even for free.

What do people want?



Nearly 40% of UK workers chose **income protection (i.e. sick pay) or critical illness cover** as their favoured policy a workplace can offer to enhance their sense of financial wellbeing – a **5% increase since March 2021**.

“There is so much that can be done,” she enthuses. “Some of the examples we’re seeing are really simple, like setting your tea and coffee machine to a free vend, putting some pizzas out, or turning the heating up and encouraging everyone to come into the office. And that’s a double win, because getting people back to collaborate in person is another challenge businesses are facing. It also helps if you can make car-sharing arrangements, so people can save on petrol.”

“The first thing is: can you afford to do something?”

Paul Caudwell, Client Success & Wellbeing Specialist, YuLife

Another popular initiative Lizzie says people are looking at is creating a pantry or a store. “That way, if a colleague needs to grab something for dinner that night, they can just help themselves. There’s an embarrassment angle there, of course; the whole stigma and taboo around talking about money. So that needs to be broken down as well.”

Even if an organisation has zero cash, she adds, there are things you can do for free. “Things like putting up posters that signpost people to charities that help. Education and awareness, and helping to create a culture where people feel more comfortable to just share the fact that they’re struggling. These things are free, but really important to do.”

Such efforts can help in the short term, but Lizzie adds that you need to think about longer-term strategy too. “Things like group income protection and life insurance are equally as important, and have to be put in place alongside the short-term initiatives,” she stresses. “You can’t really do one without the other.”

Paul agrees, and adds that: “People will often identify things like income protection and dental insurance as things that can add value to them right now, when it’s really tough to get a dentist or GP appointment. Plus they know that if they were unfortunate enough to be off on long-term sick, they’d really struggle.”

Most importantly, Paul believes, any help you can provide needs to be centered around people’s mental wellbeing. “So if an employee has money worries, can you help them not just with the financial issue, but also the emotional impact? Ask yourself: do your policies and processes line up to support people? Do they allow them, for instance, to take half an hour out for that counselling session? So it’s really about looking after the whole person.”

“If an employee has money worries, can you help them not just with the financial issue, but also the emotional impact?”

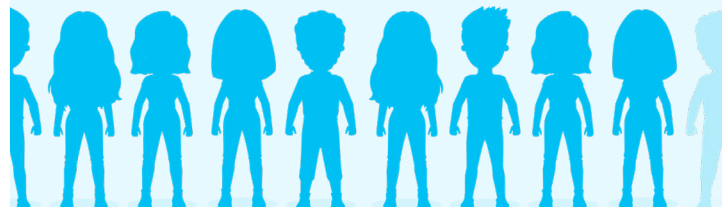
Paul Caudwell, Client Success & Wellbeing Specialist, YuLife

Employees are looking to employers for financial wellbeing support – and HR professionals agree they should have it.



59%

More than half of UK adults between 18 – 34 years old believe it’s a workplace’s responsibility to improve their financial wellbeing beyond legal, mandated obligations.

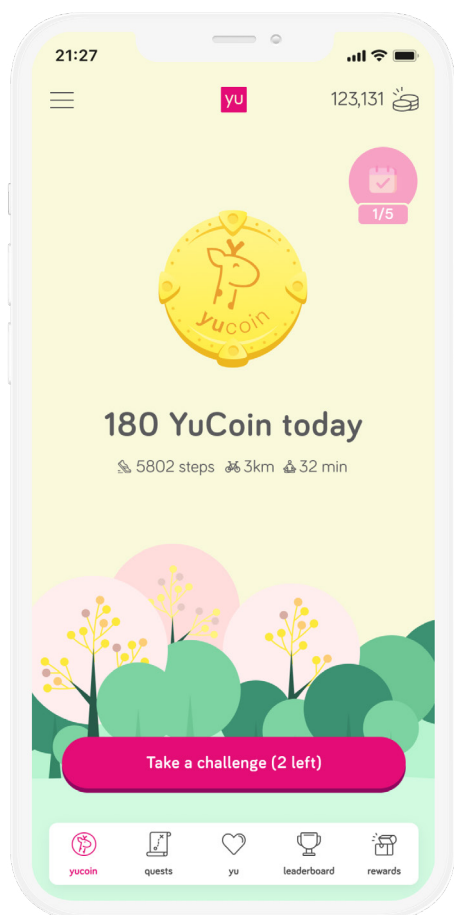


9 in 10

91% of HR professionals agree it is their responsibility to improve employees’ sense of financial wellbeing beyond paying salaries.

Meet YuLife: Group insurance like no other.

Employee benefits, wellbeing, engagement and rewards in one platform that your people really love – and use every day.



Insurance will never be the same again.

Level-up investment in your people with insurance that protects their futures, alongside wellbeing and rewards that inspire a healthy life today: group life insurance, group income protection, group critical illness, and more.

Healthy business starts with a healthy life.

Make healthy living fun with rewards for walking, cycling and mindfulness. Incentivise participation with friendly competition and gamification – and watch the immediate culture-boosting experience unfold.

Wellbeing that works for everyone.

Enrich your people's lives with immediate access to mental health and virtual GP support, alongside mindfulness and fitness apps that drive daily engagement – and experience the power of an effective wellbeing programme.

Turn healthy habits into a force for good.

Make the world a better place – with rewards that make a difference, and matter to your people. Plant trees, clean oceans, donate meals... and measure your carbon footprint.

Ready to hear how we can help?

Get a free quote and find out how our simple and affordable group insurance can help your employees live healthier and happier lives.

yulife.com | hello@yulife.com

