

15 Jun 2016 - **Niall O'Callaghan, Partner, Consumer Business Leader UK & Ireland, Mercer**

Promoting well-being at work

Discusses the findings of a Mercer commissioned survey of over 1,500 employees across the UK and Ireland in 2015

These days, there are more pressures on people at every level of every organisation than ever before. Workflows, targets and time sheets can make it seem as if every minute and every task is planned and measured. Outside of the workplace, the demands of modern life add to that stress.

To find out how these pressures are affecting people's lives and their work, Mercer commissioned a RedC survey of over 1,500 employees across UK and Ireland in 2015. The results confirmed what we all know: life is tough. But the survey also told us why it's tough and suggested how things can be improved for employees and employers.

For Irish-based respondents, the biggest worry was maintaining a healthy lifestyle while holding down a job (59% were concerned or very concerned). The next biggest worry was providing for family in case of illness or death (55%), while 54% were concerned or very concerned about paying household bills.

Perhaps unsurprisingly, we found people's concerns varied significantly depending on their stage of life. By far the most stressed of all were those with the most people relying on them — established or mature families — who were mainly concerned about immediate and long-term financial planning. In contrast, young people were most worried about maintaining a healthy lifestyle while holding down a job and getting on the property ladder.

And what are the effects of these worries? Of those who said they had concerns (a whopping 98% of respondents):

- 82% reported increased personal stress
- 58% said they had less motivation
- 58% felt they had less energy

- 52% believed stress was having some impact on their overall health.

Our survey also showed that, across all life stages and ages, employees' personal worries are having a dramatic effect on how they perform at work. For example, for those who felt that worry was affecting their health in some way, 64% reported reduced concentration, 59% reduced job satisfaction and 44% reduced productivity at work. International research by Mercer also shows that the average cost of lost productivity attributable to employee stress is 7.8% of payroll.

How employers can help

Tellingly, most respondents said they would value their employer doing more to help with these issues. And it seems that employers, who are increasingly recognising the business impact of employee well-being on the bottom line, are indeed seeking new ways to provide support.

At Mercer, we believe that employers must take a holistic approach to employee well-being if they are to succeed. This means enabling employees to better understand, engage with and take control of their health, wealth and benefit needs.

This is the future of benefit provision: engaging employees when it comes to their personal well-being, empowering them to make personalised choices and prompting them to take appropriate actions over time that will help them to manage their health, wealth and future.

How digital technology can help

The challenge of improving low levels of benefit engagement can seem daunting to employers who have long struggled with this issue. To succeed, it is necessary to understand the factors driving employee behaviour and identify ways to influence and change this. Anyone who has tried to give up smoking or take up running knows that it is not easy to change long-established patterns. As the behavioural model of Stanford University's BJ Fogg shows, only the right combination of motivation, ability and triggers can drive behavioural change.

Digital technology can help by allowing employers to offer greater benefit choices, including voluntary and/or supplementary benefits, supported by personalised, timely communication and prompts to take appropriate actions quickly and easily. The widespread use of personal digital devices also enables employees to access information and tools to make decisions and take action at a time that is most convenient to them.

How to revolutionise your employee benefits

So, how should employers change their approach to employee benefits to help employees to improve their well-being? Here are our top 10 recommendations:

1. Focus on wellness – the future of employee benefits is about helping employees achieve well-being. Your benefit platform should not feel separate to your wellness (financial, physical, emotional) activities.
2. Move to mobile – allow your people to manage their benefits on their preferred device in their preferred location.
3. Create connectivity – your benefits should all be connected and available through one log-in. Employees should also be able to access all key documents related to their financial affairs in one digital filing cabinet.
4. Provide context – allow employees to aggregate information on workplace benefits with financial products from outside the workplace, such as pensions from previous employers and other insurance policies.
5. Use your data – the volumes of useful data held by employers can, if used correctly, provide insight and nudges that will enhance employees' experience through personalised triggers.
6. Prioritise convenience – people place huge value on convenience when it comes to managing their finances and health. Digital doctor services, automated guidance/advice, and emergency and eldercare support services will all play big roles in future benefit provision.
7. Personalise the message – people should feel as if every message they receive on their benefits is written just for them and is directly relevant to them. Modern digital technology enables personalised messages and nudges that completely change communication with employees.
8. Help people – people want help managing their financial affairs. The benefit platform used should be supported by guidance and advice where appropriate.
9. Make it fun – introduce aspects of gamification and competition to encourage participation, build culture and increase engagement.
10. Remember, it's all about the employee – focusing less on business needs and more on employee needs will lead to more engaging benefits.

The advantage of getting this right goes far beyond increased engagement in employee benefits: our research suggests it could also lead to a culture of well-being, empowerment and shared responsibility, with positive impacts on absenteeism and productivity – creating a better workplace for all.