

DC AND FINANCIAL REVOLUTION CONFERENCE 2019



BARNETT
WADDINGHAM
beyond the expected

26 SEPTEMBER | LONDON

THE FINANCIAL REVOLUTION HAS BEGUN



MEET THE CHAIRMAN

MARK FUTCHER

Partner and Head of DC and
Workplace Wealth
BARNETT WADDINGHAM

We are living through a period of rapid change, transforming the old ways of doing things and revolutionising how we plan for our financial future. That's why I'm so excited to be chairing this year's conference for what promises to be an inspirational, thought-provoking event.

I hope you enjoy the day!



The workplace is bracing for impact – and the preparation starts here





The grand sweep of lessons from history will inform and stimulate our DC and Financial Revolution conference

WELCOME!

TO THE DC AND FINANCIAL REVOLUTION CONFERENCE 2019

The name of our conference – Financial Revolution – is not something to which I can claim copyright.

It was the name given to the economic and market reforms imported by the Dutch King, William III, when he invaded and took the British throne in 1688. Among his innovations were the first government bonds and the stock market, as well as Parliament (not the Crown) calling the shots.

Few then could have foreseen that this was the birth of what was to come over the following centuries; modern banking and commerce would steam-power the rise of the British Empire. Revolutionary, indeed.

Keynote speaker, professor and broadcaster David Olusoga, well known for his social history programmes, such as A House Through Time and Britain's Forgotten Slave Owners, brings his historian's perspective to the financial challenges – among others – we face today.

One of the biggest headlines at the moment is the billions emptied out of pension schemes after the law was changed to allow people to unlock a lifetime's savings, well before the end of their life.

As much as £60 billion has poured out of the private accounts of citizens into the wider markets over the last four years,

heralding a radical upheaval in how pensions are viewed and valued.

David will tell us of another transfer of wealth which took place 175 years ago and how the then Government paid out £20 million in compensation in the 19th century to bring an end to slavery; a sum worth £17 billion in today's money.

But the real shock was that every penny – 40% of the national budget – was paid to slave owners in recompense for the loss of their 'property.' David will give us his expert take on this shameful epoch.

Was this, in fact, history's biggest-ever 'buy out'? Like me, I'm sure you'll be gripped by his knowledgeable insight into what drives revolution.

We want to examine the revolution underway in savings and pensions. Now, as then, the world is changing.

New ways of working and living, together with technological changes, are challenging old thinking and old practices. Revolution appears when we least expect it.

We therefore need to ask ourselves, what should we be doing? Are we at a point when we need to radically transform what we do when it comes to retirement planning and old age care?

Paul Johnson is who the media turn to when it comes to demystifying pensions and explaining the macroeconomic climate. As Director of the Institute of Fiscal Studies, he will be giving us some clues as to what we need to do over the next 20 years.

As ever, the big picture will be balanced by our agenda, helping everyone involved

in workplace savings and benefits who are looking for pragmatic information on achievable strategy, tips and advice.

Staying with the revolutionary theme, our striking design for the event is a nod to the socialist realism movement of Soviet-approved art, which glorified the idealised proletarian heroes of the Workers' Republic.

Without wanting to sound like Citizen Smith, we do believe in 'power to the people' when it comes to your everyday finances and planning for the future - but not in a centralised command and control economy in which capitalism has been vanquished.

We think the design is vibrant and energising, underlining what promises to be a fascinating, enlivening day.

DAMIAN STANCOMBE
Partner and Head of Workplace Health and Wealth
BARNETT WADDINGHAM

Damian advises a range of UK corporate and trustee clients on their workplace health and wealth issues; from scheme design through to ongoing governance for defined contribution arrangements.

Essentially, he oversees anything that employers use to recruit, retain and improve their workforce and aligning it with their corporate culture.

Damian has particular expertise in scheme design and establishing and delivering communication and member engagement plans.

His extensive experience, clear advice and proactive approach have helped him to become a trusted consultant to a wide range of UK and multi-national businesses.

AGENDA

08.30

REGISTRATION

The STRATEGY - understand the challenges

09.00

INTRODUCTION TO THE DAY

Damian Stancombe
BARNETT WADDINGHAM

09.10

A REVOLUTIONARY TEMPLATE

Professor David Olusoga OBE
UNIVERSITY OF MANCHESTER

How the slave trade was finally bought out in England and its effect: an example of 'out of the box thinking'. Looking at what the Victorian approach to work, welfare, old age, pollution and the city tells us about the drivers behind revolution.

10.00

ARE OUR NEIGHBOURS REVOLTING?

Stéphanie Payet
OECD

Insights on the ageing of Europe and the demand on existing pension systems. Exploring global trends that are developing with regard to pension design, including auto-enrolment and retirement income.

10.45

REFRESHMENT BREAK

11.00

THE GLOBAL PICTURE OF POLITICAL ECONOMY AND PENSION REFORM

Gregg McClymont
B&CE

What are some of the trends happening around the world? What political shifts are we seeing? How is Government involvement changing? What pension reforms are occurring?

12.00

REVOLUTIONARY ECONOMICS?

Paul Johnson
INSTITUTE OF FISCAL STUDIES

What is the current picture of retirement in the UK? What is the macro-economic reality for retirement and old age care? What will the picture look like in 20 years without a change in approach? Are workers just jumping on the conveyor belt of default?

12.45

LUNCH

The TACTICS - change our approach

13.30

A REVOLUTION IN INFORMATION

David Harris
TOR FINANCIAL

Michael Rasch
DANISH PENSION DASHBOARD

Anders Lundström
MY PENSIONS

Andy Parker
BARNETT WADDINGHAM

Live demonstrations for the first time of a dashboard from other countries. What difference do they make to memberships?

14.15

IS FINTECH THE ANSWER TO SELF-EMPOWERMENT?

Michelle Darracott
SMART PENSIONS

Blake Allison
LIFECENTS

What is financial wellbeing and how does it improve self-determination? Is FinTech the mechanism for democratising it and DC pensions? What is achievable in the online world?

15.00

A DIFFERENT KIND OF DEMOCRACY

Chris Budd
THE ETERNAL BUSINESS CONSULTANCY

How do we get members to swing behind the idea that they have to take part in their future financial wellbeing? What about employee trust programmes? The Employee Ownership Trust (EOT) is an increasingly popular exit for business owners.

15.25

REFRESHMENT BREAK

15.40

DO WE REALLY 'GET' DIVERSITY OF MEMBERS?

Tannaz Rastegar
PENSIONS MANAGEMENT INSTITUTE

Women, Millennials and diverse cultural experiences: what do we need to hear from them about moving power towards memberships?

16.10

ARE MILLENNIALS MIND-BLOWING?

Michael Klimes
MONEY MARKETING

Kimberley Fisher
BARNETT WADDINGHAM

Is anyone in the room really tapped into the way Millennials (1981-1996) think? Are they an alien species or will they age into a familiar cohort? What challenges are they bringing to the DC future, such as ESG?

16.35

ARE WE AGE SENSITIVE?

Rachel Thompson
DEMENTIA UK

DC members are living longer and increasing numbers are living with dementia. Have we changed the way we interact with them as members and with their families (also DC members) who are having to act for them? Do we know what happens when our pensioners/retirees need help and the costs attached to that? Can the industry turn around its approach to long-term care?

17.00

DRINKS RECEPTION



PROFESSOR DAVID OLUSOGA OBE

David Olusoga is a British-Nigerian historian, broadcaster and film-maker. An award-winning presenter and documentary maker, David's most recent series include *The World's War: Forgotten Soldiers of Empire* (BBC 2) and *Britain's Forgotten Slave Owners* (BBC 2).

David is the author of *The World's War* (Head of Zeus, 2014), the co-author of *The Kaiser's Holocaust: Germany's Forgotten Genocide and the Colonial Roots of Nazism* (Faber & Faber 2010), and was a contributor to the *Oxford Companion to Black British History*. He is currently writing a new history of slavery, *5000 Years a Slave* (Head of Zeus), and *White Slavery & the Black War*.

David Olusoga presented the major BBC2 series *A Black History of Britain*. He has also contributed to the landmark BBC Arts series *Civilisations*, exploring contact, trade, interaction, empire and race.

Following his Liverpool based BBC series, *A House Through Time*, David Olusoga has moved on to tell the story of a Georgian end-of-terrace property in Ravensworth Terrace, Newcastle, in his native Tyneside.

KEYNOTE SPEAKER

SPEAKERS

STÉPHANIE PAYET

Private Pensions Analyst
OECD



Stéphanie Payet is a private pensions analyst at the OECD Insurance, Private Pensions and Financial Markets Division. She has more than ten years of experience analysing private pension systems around the world, with a focus on issues related to retirement savings adequacy, pension coverage, taxation of retirement savings and plan design. She contributes to various OECD publications and is responsible for the OECD Global Pension Statistics data collection.

GREGG McCLYMONT

Director of Policy and
External Affairs
B&CE



Gregg joined B&CE, the provider of The People's Pension, in July 2018. Gregg is the co-author of two volumes on global pension system design, Towards a New Pensions Settlement: The International Experience, Vols I & II, together with two more volumes on UK system design - Pensions at Work that Work (2013) and Pensions People Can Trust (2012). Previously Gregg was an MP, Shadow Minister of State for Pensions and a member of the Prime Minister's Commission on Further Devolution to Scotland.

PAUL JOHNSON

Director
INSTITUTE OF FISCAL
STUDIES



Paul has been Director of the Institute for Fiscal Studies since January 2011. He is also a visiting professor in the economics department at UCL, a columnist and a member of the UK Climate Change Committee and the Banking Standards Board. Previous roles have included time as chief economist at the Department for Education and as director of public spending at HM Treasury. He is a frequent contributor to written and broadcast media and was appointed CBE in the 2018 birthday honours.

DAVID HARRIS

Managing Director
TOR FINANCIAL



David Harris is well known in the financial services industries in the UK, USA and Australia as an expert on pensions systems and reform. Prior to founding TOR Financial Consulting he was a senior consultant with Watson Wyatt, as well as a political adviser and commercial banker. David worked with the OECD and Irish Government on evaluating how the existing framework could be improved. He has testified several times before the United States Congress on international social security and pension reform.

ANDERS LUNDSTRÖM

CEO
MY PENSIONS



Anders is an experienced CEO working in the insurance and pensions area, both from a business and information technology perspective. Having led the Swedish dashboard since its launch, Anders has unique insights and experiences of setting up such an operation, including negotiations between the state and private pension providers. He has been a part of the expert group in the EU-project - Track and Trace Your Pension in Europe - and is a member of the steering group for a new European Tracking Service.

MICHAEL RASCH

Division Director
INSURANCE & PENSIONS
DENMARK



Michael is head of a number of digital services, including the award winning PensionsInfo – the National Pension Tracking service in Denmark. This service collects and presents personalised information on pension benefits at the request of a user. His experience includes implementing a national digital solution where pension schemes are transferred from one pension provider to another. Michael has also been involved in the 'Track and Trace Your Pension in Europe,' initiated by the European Commission.

ANDY PARKER

Partner and Senior Client
Relationship Manager
BARNETT WADDINGHAM



Andy has worked with many clients to review and refine their existing arrangements, aiming to maximise the value for the plan sponsor, trustees and the members through compliant and efficient administration, investment, governance and engagement approaches. Andy's extensive experience, clear advice and proactive approach have helped him to become a trusted adviser to a wide range of UK & multi-national businesses and trustee boards.

MICHELLE DELLACOTT

Chief Strategy Officer
SMART PENSIONS



Michelle is the Chief Strategy Officer for Smart Pension, responsible for strategy and proposition across Smart's Workplace DC and Platform as a Service (PaaS) businesses. Michelle has a proven track record within the financial services sector, specialising in customer-centric propositions and digital capabilities. Her experience includes strategy and business development, commercial management, change and transformation, advice and counsel, product development, leadership and project management.

BLAKE ALLISON

Founder and CEO
LIFECENTS



Blake has an almost fifteen year career advancing financial health and wellness. In 2005, he founded Financial Education & Literacy Advisers – since renamed to LifeCents. Blake serves as Chairman of Veterans' Assistance for Learning, Opportunity & Readiness, a national nonprofit financial education program for veterans, service members and their families. He has also helped to oversee the development of the Maryland State financial education curriculum that was approved and adopted by the Maryland State Department of Education.

TANNAZ RASTEGAR

Marketing Manager
PENSIONS MANAGEMENT
INSTITUTE



Tannaz was appointed as a Marketing Manager at the Pensions Management Institute two years ago where she began her career in pensions. Her professional background is mainly financial services, including investment and emerging markets. She is originally from Iran but left at the age of 13 to study music in Yerevan, Armenia. When she was 17, she moved to the UK where she completed her degree in Music Technology and a Masters in Business.

KIMBERLEY FISHER

Manager Research Analyst
BARNETT WADDINGHAM



Kim specialises in ESG and Sustainable Investing. She is responsible for a range of ESG research, from specific financial products to wider strategic research, as well as creating frameworks for ESG assessment and monitoring. She has provided both internal and external ESG training. Kim is also involved in manager research across numerous other asset classes, including property, UK and global equities, and index funds.

CHRIS BUDD

Chairman
THE ETERNAL BUSINESS
CONSULTANCY



Chris Budd sold a majority share of his financial planning Business Ovation Finance to an EOT in March 2018. He now advises owners on succession planning through The Eternal Business Ltd, and wrote a book, The Eternal Business, as an introduction to the EOT. He is one of the UKs experts on employee ownership for SMEs. He also wrote The Financial Wellbeing Book and produces the Financial Wellbeing Podcast.

MICHAEL KLIMES

Senior Pensions Reporter
MONEY MARKETING



Michael Klimes is the senior pensions reporter for Money Marketing and joined the publication in December 2017. He previously worked for Professional Pensions for just over three years. He has covered some of the biggest pensions stories over the last five years, including the collapse of BHS and the scandal around rogue advisers who targeted members of the British Steel Pension Scheme.

RACHEL THOMPSON

Professional and Practice
Development Lead
DEMENTIA UK



Rachel is the Professional & Practice Development Lead for Admiral Nursing with Dementia UK. She first specialised in dementia care in 1999 and chairs the Higher Education for Dementia Network (HEDN), a network for university lecturers. Over the last two years, Rachel has established and supported a group of people with dementia, as well as family carers, advising them on the work of Dementia UK. Rachel has published a number of articles and has co-authored a book; Dementia; Support for Family & Friends.

FREEDOM AND CHOICE

Don't leave your members in the dark at retirement

By Mark Fitcher, Partner and Head of DC and Workplace Wealth, Barnett Waddingham

The 'Freedom and Choice' reforms shook up the pensions market a few years ago and meant that a pension pot no longer needed to provide an income for life; people were free to use it as they wish.

However, as the name suggests, more freedom equals more choice and that, unfortunately, makes choosing what to do with a pension pot at retirement more complex.

Before the new freedoms and choices were introduced, pension members would accrue a pot of money and, at the end of their working life, either purchased an annuity or went into a draw-down policy if they had a large enough fund value. The pension reforms turned that two-option model into a triangle.

We now have a third option: to take all our money as cash. However, if a member selects any of those options in isolation, they are not covering some of the major risks that exist in retirement. It is almost impossible to say what the right option is.

CHOOSING FROM A NUMBER OF OPTIONS

For most people, retiring from somewhere within the triangle, rather than choosing solely from one of the three options, will be the best approach; i.e. some sort of combination of at least two of the options.

The pension reforms turned the two-option retirement model into a triangle.

In truth, however, it's difficult for members to know if they make the right decision because the future is impossible to predict. People make a decision based on many variables, which they largely have no control over. These include how long they will live, the investment environment, the geopolitical situation, their future health and long-term care needs.

Making the wrong decision at retirement can easily waste ten years' worth of contributions.

It's also important to remember that retirement is a time when many people are at their most vulnerable. Their pension pot is the biggest it will be, the most money they have ever had access to.

Companies pay a lot into employees' pensions over the years so it's puzzling why they would want to see them waste it on a stab in the dark at retirement time.

Employers have been responsible for overseeing members' interests while they've been paying into the pension plan for decades – whether that was DB or DC.

Recently, employers have had less to do in this oversight role of DC but they do not appear to have done a huge amount with regard to communicating and clarifying the options available to members, especially at the most crucial stages.

Currently, trustees (or managers) of pension schemes do not need to support their members in the run up to retirement, other than by telling them what the options are.

FINDING THE RIGHT OPTIONS BY RULING OUT THE WRONG ONES

It is difficult to decide what the right options will be, but it is easier to identify what the wrong options are. So, if we start by ruling out these options, we can narrow the field and home in on what a

Employers can put a strong framework in place to help employees at the point they reach retirement.

member really wants from their retirement planning. There are many models being built at the moment to advise on this. Some are automated but the Financial Conduct Authority (FCA) insists

that an adviser puts their name to any advice offered. Unfortunately, even for a mix of technology doing the research and an adviser signing off the advice, the likely cost of this isn't yet down to a level most individuals are comfortable spending, despite the potential long-term gains.

HOW CAN EMPLOYERS AND TRUSTEES HELP THEIR MEMBERS?

There are some simple things that can be put in place to help members avoid wasting contributions by choosing the wrong option, too early.

For a small extra investment, employers can put a strong framework in place to help employees at the point they reach retirement.

This is where Barnett Waddingham could help.

Rather than giving everyone the same advice, as happens now, our solution is to help a company establish a trusted triage service, similar to that used in hospitals. Through this, we can narrow the range of options down for each individual, suggest the types of product that may suit their needs and recommend financial professionals they can speak to about these.

This is not regulated advice, but simply guidance, pointing people in the right direction.

It can help to avoid people feeling that they have no support and are 'in the dark' at a crucial moment in their lives. As an independent firm, we don't have any of these products ourselves; we simply help companies help their employees.

ESG INVESTMENTS AND THE ROLE OF TRUSTEES

By Mark Futcher, Partner and Head of DC Pensions, Barnett Waddingham

ESG, or environmental, social and governance, is a hot topic at present for those who manage DC pension schemes. Regulatory requirements from the Department for Work and Pensions (DWP) and The Pensions Regulator (TPR) mean trustees now have to consider how ESG affects the investment strategy for their members. What are the implications of this change?

The DWP requires that the DC default strategy should reflect how the trustees take account of financially material considerations, including ESG matters, and that pension fund trustees should produce environmental, social and governance statements. One of the difficulties with this is that there is no common acceptance of what ESG actually is.

DEFINING AN ESG POLICY

This means trustees will need to define what ESG means before they can say whether and how they will take ESG factors into account. They will then have to communicate this to their members. Another difficulty is that many companies already have strong views on ESG issues and have policies in place. So, should trustees follow the company lead on those issues? Or should they come up with their own approach? It would certainly look odd if the company had one view and their pension scheme another.

Many companies already have strong views on ESG issues and have policies in place. So, should trustees follow the company lead on those issues?

A further complication is that many people confuse ESG with ethical investments, such as choosing not to invest in areas like arms manufacture or tobacco. There are many other categories too, including socially responsible investing (SRI), sustainable investments, green investments and so on that add to the confusion.

Trustees can fall into the trap of thinking that by offering ethical investments as an option outside of the default strategy, they are covering their ESG responsibilities.

Although there hasn't yet been a great deal of ESG activity, DC scheme trustees all need to consider this now – action needs to be taken by October 2019. Some trustees have started to integrate ESG risk factors into the default strategy, as they have come to the conclusion that these factors are financially material.

Scheme members are happy to include ESG considerations, but without negatively impacting the returns they are receiving.

Generally speaking, scheme members are happy to include ESG considerations, but without negatively impacting the returns they are receiving. This is why companies need to be clear about their ESG policies.

RESPONSIBLE INVESTMENT

Some of the biggest contributors to returns are companies that you perhaps wouldn't consider suitable for ESG. For example, there is a recognition that we still need oil and gas for the foreseeable future, but there are obviously some environmental concerns.

However, if your ESG outlook is to say you invest only in companies that are the best in their sector, then you're on firmer ground. If these companies are governed as well as any in the sector and are trying to positively drive innovation in that sector (for example, investing in new technologies such as renewables) then this is a positive message. Companies with good ESG characteristics are likely to pose less risk and therefore are better able to mitigate financial risks related to ESG factors, whether environmental disasters, employment issues, regulations, corruption

or security - all of which could reduce returns to pension funds.

Even investment on a passive basis can contribute from an ESG perspective if the manager attends AGMs as a shareholder and votes on topics such as remuneration and environmental issues, in line with their ESG beliefs. In this way they put pressure on the companies as a shareholder, rather than not investing in them. This shows that there are different ways to implement your ESG beliefs.

A WAY TO ENGAGE WITH PENSIONS?

Regarding wider ESG factors, even if they are unlikely to engage the masses you could disengage a significant proportion of people if you don't take them into account.

ESG is becoming more and more a core part of investment management and if trustees do believe that these factors are financially material then you have to ask – why aren't you doing it?

The result is that members will still reap the benefits of positive returns on their investment, without necessarily engaging deeply with ESG.

DONT MISS: Are Millennials mind-blowing? 16.10 - 16.35

FINANCIAL WELLBEING

Don't lose sight of the importance of today

By Riaan van Wyk, Workplace Wellbeing Consultant, Barnett Waddingham

The positive impact of employee happiness and high levels of wellbeing on the workplace is well established by now. Their contribution to the complexities of the productivity puzzle is accepted by many HR practitioners and other business professionals.

The concept of 'Wellbeing' has developed from the early days of providing fruit in the office and discounted gym membership, to what we now see as being a more holistic and multi-faceted approach.

One of these elements, the financial wellbeing of employees, is such an important and far reaching contributor to overall wellbeing that it is no longer just a nice-to-have offering for employers. It has become essential.

There is a considerable amount of research that supports this and over the last few years we've repeatedly come across the same narrative:

- Those with financial worries have trouble sleeping and they find it difficult to concentrate at work
- Financial strain can lead to stress, anxiety, or depression and might even manifest in physical illness
- The above applies in particular to those struggling to manage their debts (at least a quarter of us)

The problem is that when these findings are so often repeated there's a danger of us becoming desensitised to them and so they lose their impact and importance. One way of remedying this is to consider the impact of employee financial wellbeing on an organisation's performance.

IMAGINE A DIRECT AND SUSTAINED ASSAULT ON 25% OF YOUR ORGANISATION'S BOTTOM LINE!

That's the harsh reality of the situation. A significant percentage of the people who contribute to the success of your business are experiencing financial strain. By extension, this means your business is also taking the strain.

Getting financial wellbeing right is not only an imperative because of its impact on overall wellbeing. It also helps to address other existing employee wellbeing issues such as poor health, relationships, career aspirations and work and life balance.

What's more, when you take the overall and financial wellbeing of your employees seriously, it creates a culture of shared growth and trust in which the mutual exchange of value between employer and employee will be easier, more transparent and more effective. Employment will become meaningful.

HOW SHOULD AN EMPLOYER APPROACH THE PROVISION OF FINANCIAL WELLBEING BENEFITS AND SUPPORT TO EMPLOYEES?

Firstly, an employer should clearly understand the needs of its employees. There are a number of ways of collecting and interpreting the data needed through people analytics.

Secondly, based on the needs identified, a strategy needs to be developed for delivering and measuring the success of what's being offered. There also needs to be understanding of how this strategy fits with the overall people and business plans.

The traditional organisational take on financial wellbeing was to tick a box that says you have a reasonable pension scheme and you have auto-enrolled your people into this. Today, however, there needs to be a provision for addressing the broader aspects of employees' financial health. This is a considerable shift in focus.

Our research has shown that contributing to a pension scheme is only third on the list of financial concerns for employees across all age groups, but behind day-to-day living expenses and the cost of housing. Furthermore, the gap between pension provision and providing for day-to-day living is even more pronounced amongst younger employees.

It has become clear that, for all ages, financial security is divided into three distinct areas. These are the provision for today, tomorrow and one-day. That is, we all need to have financial security in the short, medium and longer terms. In the past, employers tend to focus mainly on provision for the one-day through pensions, leaving a major void to be filled in the short and medium term.

We can now attribute many of the problems associated with pension scheme members' inability to adequately contribute towards their retirement fund to the fact that their immediate financial priorities are overwhelming and make it impossible to save. It makes much more sense, therefore, to shift the focus onto support for employees' current needs, such as day-to-day living, housing and debt management.

Of course, we shouldn't entirely ignore the importance of pension provision. But we should realise that in many instances, unless employees have their immediate financial concerns under control and have the ability to save, they won't be able to prioritise building up a retirement fund.

HOW DOES THIS WORK IN PRACTICE?

It is important to realise that there are better ways than offering a one-size-fits-all approach. Offering generic solutions based on assumed needs according to age is unlikely to be effective. Typical of this scenario are the following assumptions:

- Younger employees will have day-to-day concerns, possibly student debt and perhaps aspirations to one day buy some property

- The middle age group will be concerned with starting or supporting their young families, paying the mortgage or (still) saving for that home and possibly managing debt
- The older age group will mainly have retirement as a concern, holding onto their investments and paying off that mortgage

Research has shown that all of us, will have certain requirements for today, tomorrow AND one-day

Sound familiar? Research has shown that all of us, irrespective of where we find ourselves on the 'life cycle', will have certain requirements for today, tomorrow AND one-day. The mix of these needs will depend on our personal circumstances. These needs should be understood and catered for, not by age or any other

member demographic, but by grouping the appropriate solutions based on need and making them easily accessible to all employees. In this way, for example, a financial education session on the very basics of budgeting and managing money might attract attendees in their early twenties AND their late fifties. A considered, structured roll-out of appropriate benefits will ensure that all your employees who have a particular need for a certain intervention get the right opportunity to access it.

Ideally, the same amount of effort we currently put into retirement planning and support (through auto-enrolment, education, prompts to save more, options at retirement etc.) should be applied to wider financial wellbeing.

It is about getting the balance right and not forgetting the importance of today. We must consider the difficulties that employees are dealing with today, together with their concerns around financial provision for tomorrow.

DELIVERING FINANCIAL WELLBEING FOR SUCCESS

By Damian Stancombe, Partner and Head of Workplace Health and Wealth, Barnett Waddingham

Enhancing workplace financial wellbeing requires the engagement of all employees so they feel empowered to drive positive change. This is achieved through education to maximise the value of each £1 and bolster resilience during times of financial stress.

It's an opportunity for you to shake things up and refresh the way you engage with your employees - delivering benefits inclusive to all regardless of age, wealth or life stage.

TAKE YOUR EMPLOYEES ON THE JOURNEY WITH YOU

No one likes directives – even when they are supposedly good for you – we all remember that reflex reaction to someone telling us to eat our vegetables! Although you may have solutions to make your employees lives better, achieving their 'buy-in' is never straightforward. So taking your employees on the journey with you, allowing them to have those light bulb moments themselves will make the solutions more personal, more meaningful and ultimately gain the desired level of commitment.

Employee surveys are a useful way to identify issues and trends when it comes to delivery, but be careful not to always try and fix last year's problems. The focus is better placed on a forward facing

transformative approach – what we want to achieve not just now but in the future (both near and far) – we call this 'today, tomorrow and one day.'

Gathering together an employee forum or engagement champions, representing the views from the floor, means that you are involving employees in driving this change and it is an easy way for you as the employer to listen and importantly, show you are listening.

Employees are likely to know better than you what they want anyway – you might assume that they'd all be thrilled with a discounted David Lloyd membership, but maybe you've got a core team of runners looking to enter into an Iron Man competition and actually it's not discounted gym membership they need but help with training, travel and entry costs.

Involving employees through an employee forum or engagement champions will establish more commitment - making a measurably successful outcome more likely for you.

FOR COMMUNICATIONS ABOUT WELLBEING AND BENEFITS*:

47% prefer face-to-face

28% prefer email

7% prefer digital

7% prefer paper

CHOOSING YOUR COMMUNICATION CHANNEL

For the best chance of success, it makes sense to communicate with employees in the way they are most comfortable with – this may mean offering multiple channels from face to face to digital.

Employees may look to receive information across a number of different modes – a recent employee focus group fed back that they would look for initial face to face communication, followed by either digital or print information to follow up in their own time. This could be an opportunity to look at new delivery channels.

FACE TO FACE COMMUNICATIONS ALSO OFFER INCLUSIVITY

£1.4 million people have learning difficulties in the UK, as reported by Mencap, and there are probably many more who are undiagnosed. Additionally, The National Literacy Trust reports that 5.1 million UK adults have literacy levels at or below

expectations for an 11-year-old. If live face to face isn't feasible – video clips work equally well and have the advantage that they can be dubbed over in other languages.

KNOW YOUR LIMITS

Don't limit the employee experience to your own expertise – make use of specialists or simple signposting, such as information from government bodies or charities.

BE MINDFUL

We can all react to the same situation differently. Encourage step by step wins and promote mindfulness to help employees cope and have hope.

TAKE IT TO THE PEOPLE

Don't just rely on employees reading your quarterly newsletter. Proactively take messaging out to them.

A great example of this is Netflix and their 'tops picks for you' approach - we use a similar process of nudges and triggers through our Me2 platform to promote relevant content. Generating active discussion through community / chat groups is also a brilliant way to sustain focus and keeping savings ideas flowing.

Time may well be another big factor in the engagement of employees. Can you carve out time for staff to focus on their finances? Perhaps lunchtime or afternoon coffee sessions will encourage people to take time out – even just for 20 minutes – to focus on their financial wellbeing.

ADVOCACY - WHO WILL CHAMPION FINANCIAL WELLBEING INTERNALLY?

Whilst it is important employees see this being supported from the top, engaged employees will drive a bottom up approach.

DON'T MISS: LIVE DEMO - A revolution in information 13.30 - 14.15



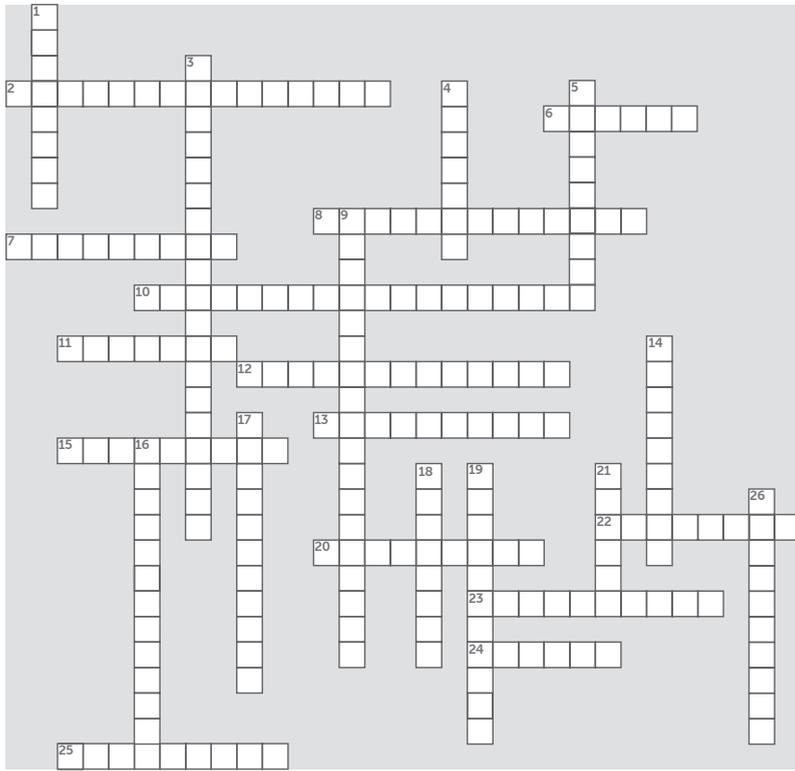
Are your employees experiencing financial strain? If so, your business is also taking the strain.

BWell Financially is our unique approach to financial wellbeing. By identifying the specific needs of an organisation and its workforce, we then develop a financial wellbeing strategy that is truly bespoke.

Find out how to improve your employees' financial wellbeing and the productivity of your business:

barnett-waddingham.co.uk/bwell-financially

*Survey: Why BWell - where's your head at?



Down

1. Rapid succession of beats, used to communicate with people for thousands of years (8)
3. Pension scheme where the benefits payable on retirement depend partly upon the amount of money contributed (7,12)
4. Income in retirement (7)
9. When people feel passionate about their jobs, more than just job satisfaction (8,10)
5. The state of being comfortable, healthy and happy (9)
14. Relating to money (6)
17. Professional practice that gives expert advice within a particular field (11)
16. Imparting information by telling the recipient(s) something (13)
18. A plan of action designed to achieve a long-term or overall aim (8)
19. Multi-employer occupational scheme where each employer has its own division within the arrangement (6,5)
21. To make or become something different (6)
26. Person reaching young adulthood in the early 21st century (10)

Across

2. Form of compensation paid by employers to employees over and above regular salary or wages (8,7)
6. Name of someone who pays into a pension scheme (6)
8. Arrangement by which an employer and an employee pay into a retirement fund (7,6)
7. The people engaged in, or available for, work (9)
10. Sense of security and feeling as though you have enough money to meet your needs (9,9)
11. The study of past events (9)
12. Government initiative to help people save for later life through a pension scheme at work (4,9)
13. Very sharp change, a rotation (10)
15. Giving or receiving systematic instruction (9)
20. Where you'll find a Georgian end-of-terrace property (9)
22. Detailed examination of something (8)
23. Leaving job and ceasing to work (10)
24. Make changes in something (e.g. an institution or practice) in order to improve it (6)
25. How society uses its limited resources (9)

We hope you enjoy your day at the

DC AND FINANCIAL REVOLUTION CONFERENCE



If you haven't already, don't forget to sign up to stay ahead with our latest comment, expert insight and event details.

barnett-waddingham.co.uk/signup

If you would like to talk to us about DC pensions and employee financial wellbeing, please do get in touch. You can contact your usual Barnett Waddingham consultant or via the following:

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