

**+ Employee wellbeing:
Building brighter financial
futures together**

Reflections on five years of insights

Q4 2025

Financial wellbeing – why now, and why organisations matter

Introduction

At LCP, we're committed to helping organisations support employee financial wellbeing in ways that are meaningful, inclusive and effective. We know that financial health is a core pillar of overall wellbeing and when employees feel financially confident, it positively impacts how they engage at work and plan for their future.

Over the past five years, we've gathered insights from over 50,000 UK employees and 2,000 employers. This depth of data has allowed us to track how financial wellbeing has evolved - shaped by the pandemic, economic uncertainty, and rising living costs. The result is a deep understanding of what employees need, and where support can make the greatest difference.

This report goes beyond statistics. It highlights lived experiences, identifies disparities, and offers practical guidance to help organisations build strategies that are proactive, human-centric, and fit for the future.

Whether you're just starting out or refining your approach, our findings are designed to help you ask questions, challenge assumptions, and empower your people at every stage of their financial journey.



Heidi J Allan
Head of Financial Wellbeing



Contents

In this report, we explore the following areas:

- Financial confidence across demographics – where are we now?
- The internal voice – how are employees feeling?
- From perks to purpose: designing benefits that support today's workforce
- Retirement readiness – reality check for future finances
- Retirement confidence – building capability for the future
- Connecting through conversation and communication
- Building employee confidence through knowledge
- From insight to action - practical applications that make a difference
- From insight to impact: building brighter financial futures.

Financial confidence across demographics – where are we now?

Spotlight on everyday and future financial confidence

Over the last five years, our research has seen a steady increase in employees who do not feel confident about their financial future - from 47% in 2020 to 53% in 2024. Behind these numbers are real people, many of whom are dealing with financial struggles on a daily basis.

Our data also shows that financial confidence isn't evenly distributed amongst different demographic groups. Renters, neurodiverse individuals, and those with mental health challenges are among the least secure - highlighting the need for more tailored, inclusive approaches to support today's dynamic workforces.

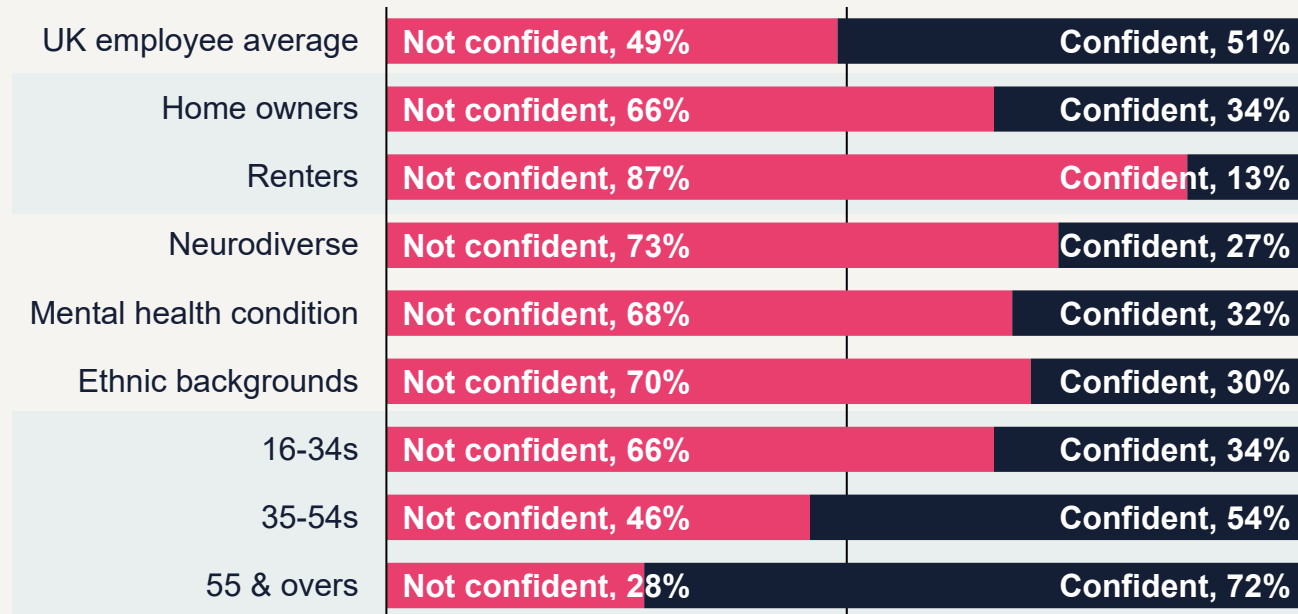
The key takeaway from these findings is that employees need to be able to manage their everyday finances to order to look towards the future, whatever their demographic.



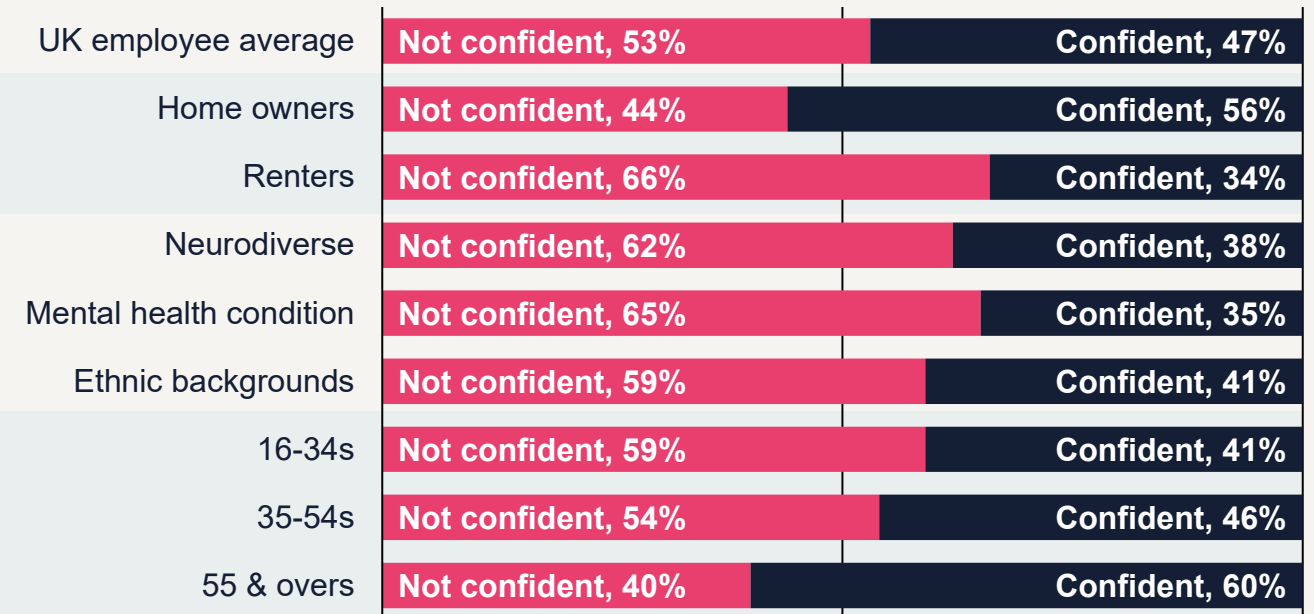
Questions for employers

- How accessible are your workplace benefits for different demographic groups?
- What strategies do you have to support financial knowledge and confidence in employees for both today and tomorrow?

Employee confidence with everyday finances (2024)



Employee confidence with future finances (2024)



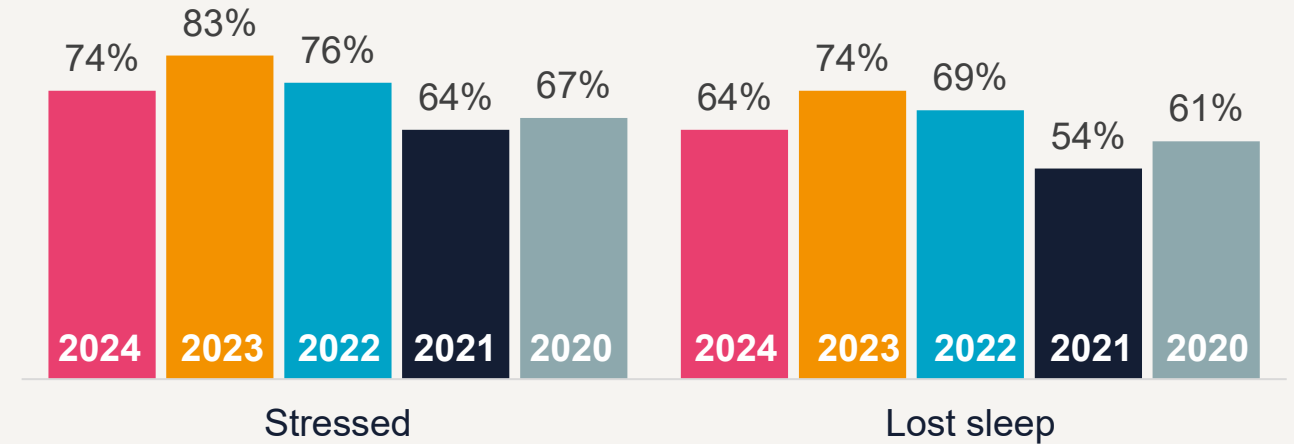
The internal voice – how are employees feeling?

Significant impacts on personal wellbeing

Levels of stress and anxiety grew post-pandemic as the cost-of-living challenges emerged. Although these have eased slightly, they remain higher than pre-pandemic levels with 3 in 4 of the 10,000 employees surveyed in 2024 reporting feelings of stress, 7% more than pre-Covid.

When employees are worried about money, they're more likely to experience sleep disruption, increased anxiety and distraction during work hours. 2 in 5 (41%) said that financial worries impact their ability to perform their job which will which affect business performance.

Employees who have struggled with stress and loss of sleep

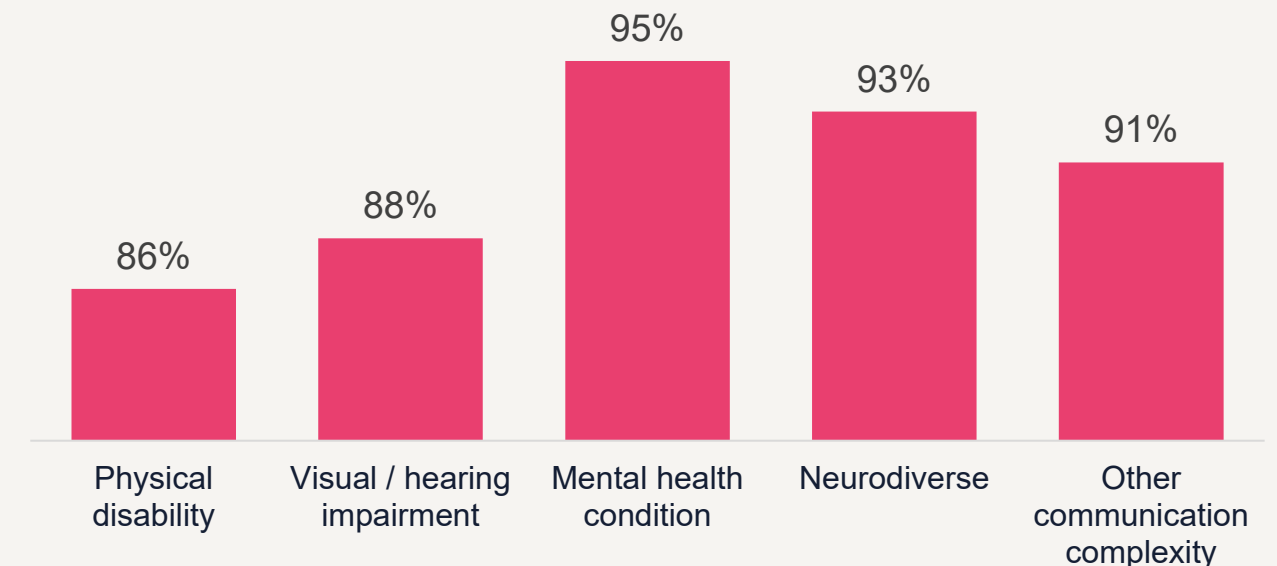


Levels of stress in employees with diverse needs (2024)

Employees with diverse needs are experiencing significantly higher levels of stress. With 1 in 3 (of our 10,000 sample) self-identifying as having an additional need or communication complexity, it highlights the importance of designing benefits and wellbeing support that is accessible and easy to understand for all employees.



1 in 3 identified as having an additional need or complexity



From perks to purpose – designing benefits that support today's workforce

Understanding what matters most to employees

As employees navigate the complexities of everyday and later life financial planning, the role of employee benefits becomes increasingly critical. Our data highlights the benefits employees value most and how that has changed over the last five years.

Pensions and flexible working top the list this year, both valued by 72% of employees surveyed. Financial education has seen an increase in value rising from 46% to 57% over the same period.

These preferences signal a growing awareness among employees about securing their financial future, balancing work-life commitments and building their understanding of financial options. These are all areas that employers can nurture through thoughtful benefit design and meaningful communication.



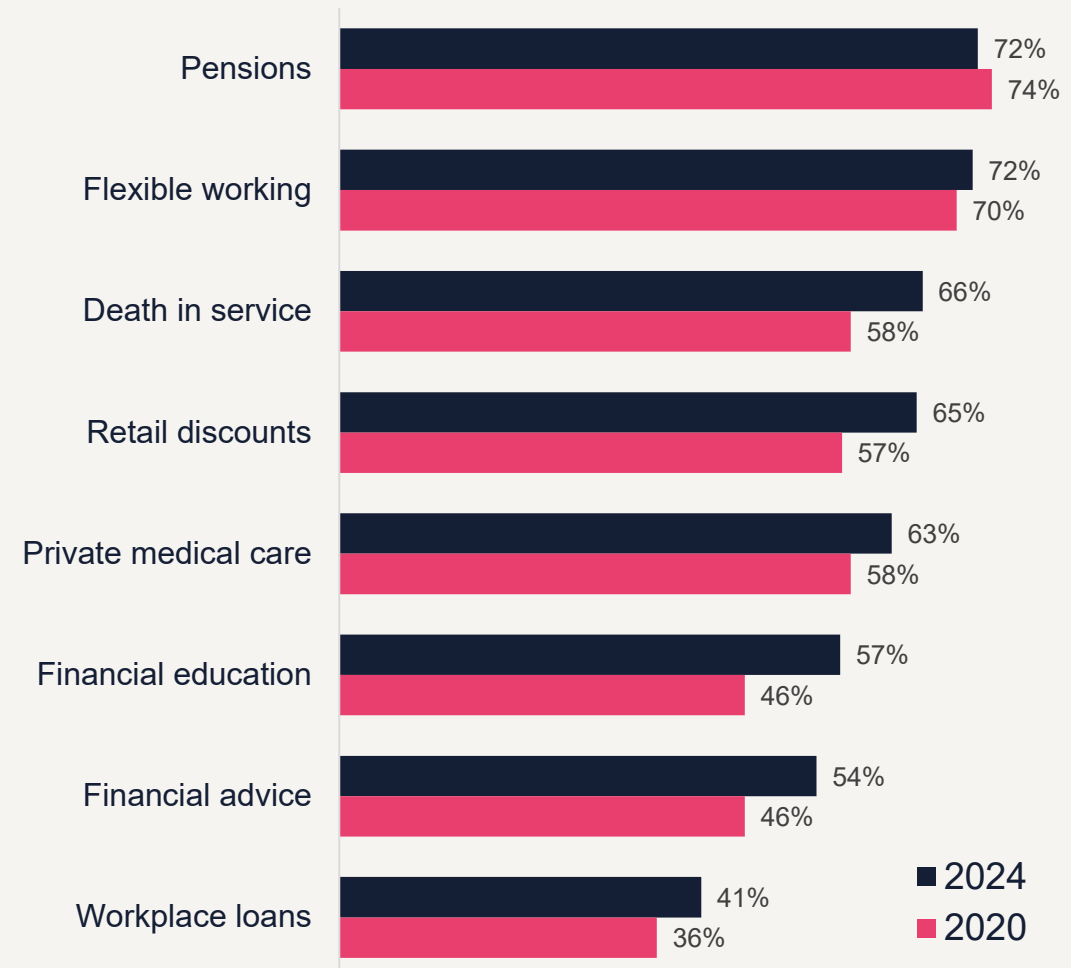
Questions for employers

How are data insights used to help you understand the needs of your workforce and how that has changed over time?

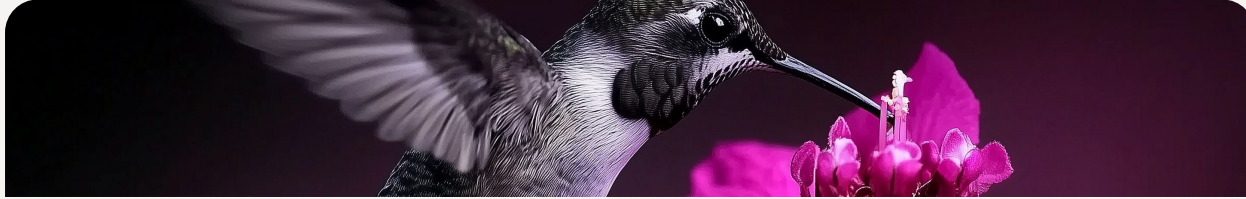
How engaged are your employees with the benefits available? Are there benefits that are not utilised and if so, do your employees understand the value they can add and do they know how and when to access them?

Benefits most valued by employees

A snapshot of some of the core benefits and how the value-add has changed over the last five years



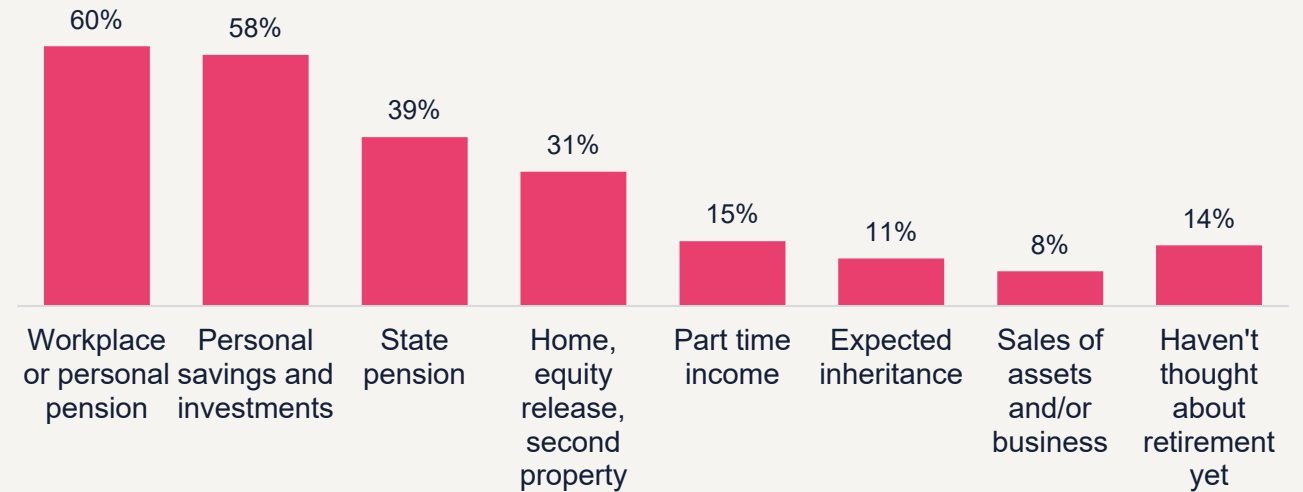
Retirement readiness – reality check for future finances



Over half (53%) of employees feel they lack control over their financial future – a concerning trend that has worsened by 6% over the past five years.

Employees believe workplace pensions will be their primary retirement income source. Many are increasingly expecting to rely on personal savings, property, and even part-time work to bridge the gap. With the decrease in personal savings highlighted below, this reflects both opportunity and vulnerability in retirement readiness.

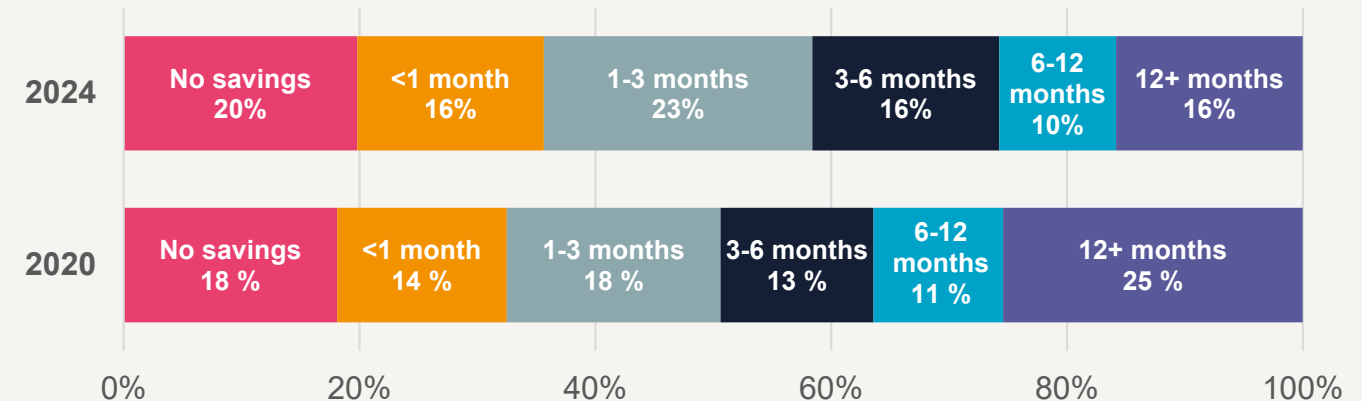
What are you planning to use to fund your retirement income?



Personal savings changes over five years:

- **Increase in those with minimal savings:** There has been a 4% increase in employees whose savings would last less than one month including a 2% increase in those with no savings at all.
- **Decrease in long-term savings:** The percentage of employees with savings lasting more than 12 months has decreased by 9%.

Changes in savings levels over the last five years



Retirement confidence – building capability for the future

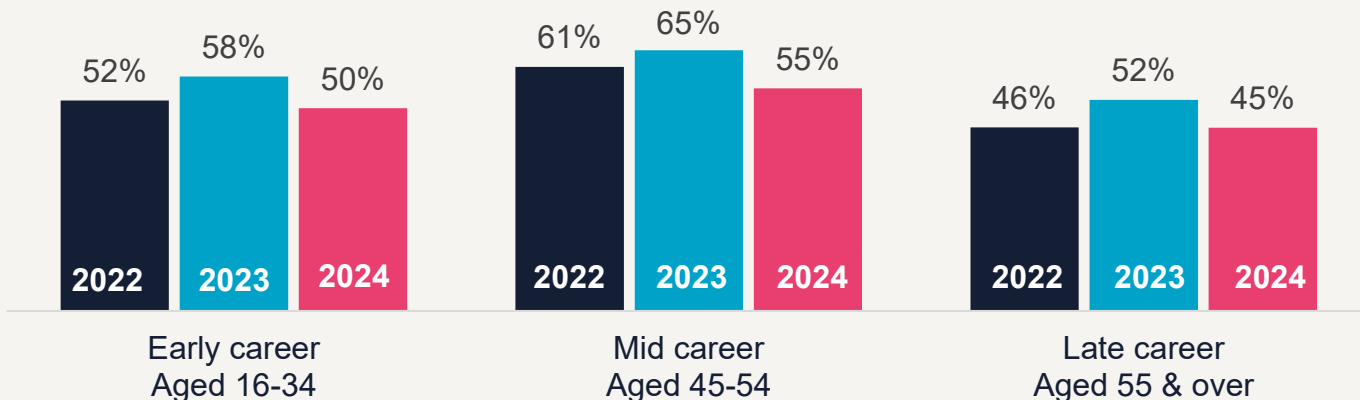
Confidence in retirement planning

There is a positive trend in employees' confidence in their retirement planning over the past five years with an 8% increase in those who feel very confident about their plans (25% in 2020 increasing to 33% in 2024). There is also a 5% reduction in those who are unsure if they're on track with their retirement plans (60% in 2020 decreasing to 55% in 2024).

This upward trend may reflect increased access to financial education, digital planning tools and employer-led initiatives. However, the persistent uncertainty among early and mid-career employees suggests a need for earlier and more targeted interventions.

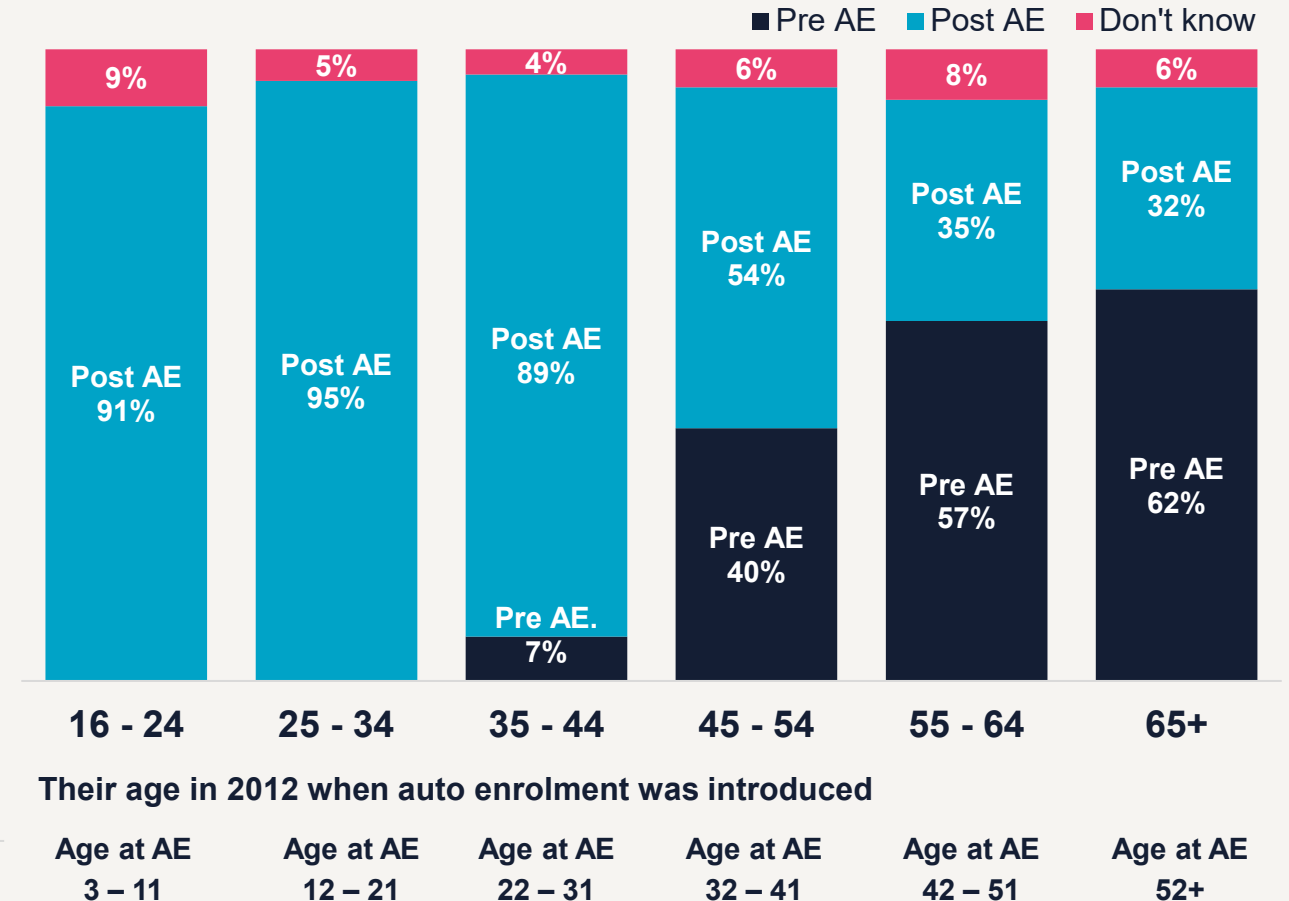
Employees who are not confident in achieving their desired retirement

We have seen a small reduction in employees who said they are not confident or don't know if they can achieve their desired retirement over the last three years which aligns with the slight increase in confidence levels.



Age started pension saving:

This chart shows the age at which surveyed employees started saving into a pension and whether this was pre or post auto enrolment (AE) which was introduced in 2012.



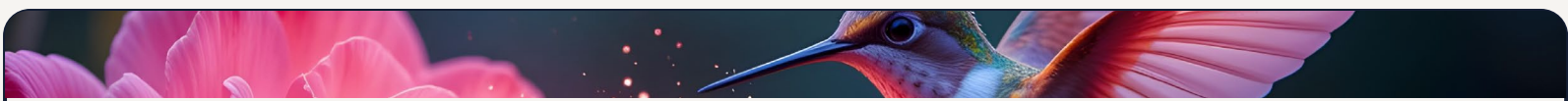
Connecting through conversation and communication

Making information meaningful

In a world of constant information, how we communicate matters just as much as what we say. We’ve seen a change in communication preferences over the last five years where email has increased from 11% in 2020 to 33% in 2024; and 121’s have reduced from 41% to 14% over the same period.

When employees search for financial information themselves, only 13% said they would turn to their workplace as a source. Many still rely on familiar sources like friends, family, or trusted figures such as Martin Lewis - the rise of digital platforms from YouTube to social media and AI tools shows how help-seeking is evolving.

Third parties such as pension and benefit providers are evolving their communication to include digital based support which could be a good place for organisations to start.



Questions for employers

What strategies and channels do you have in place to tailor communication to different cohorts within the workforce and how are you measuring its effectiveness?

Are you making the most of the support form third parties and benefit providers?

Top three workplace communication preferences by age

Early career	16 – 24s	25 – 34s
	Email – 23% Mobile app – 17% Manager – 15%	Email – 31% Mobile app – 19% Manager – 15%
Mid career	35 – 44s	45 – 54s
	Email – 35% Mobile app – 17% 121 advice – 15%	Email – 36% Want no comms – 16% Printed info – 15%
Late career	55 – 64s	65+s
	Email – 35% Want no comms – 17% Printed info – 16%	Email – 31% Printed info – 22% Want no comms – 18%

Employees said they would go to these sources if they were looking for information related to their finances

Martin Lewis	Friends / Family	Financial Adviser	Product Provider	You Tube	My Workplace	Social Media	AI e.g. ChatGPT
42%	32%	32%	21%	15%	13%	12%	8%

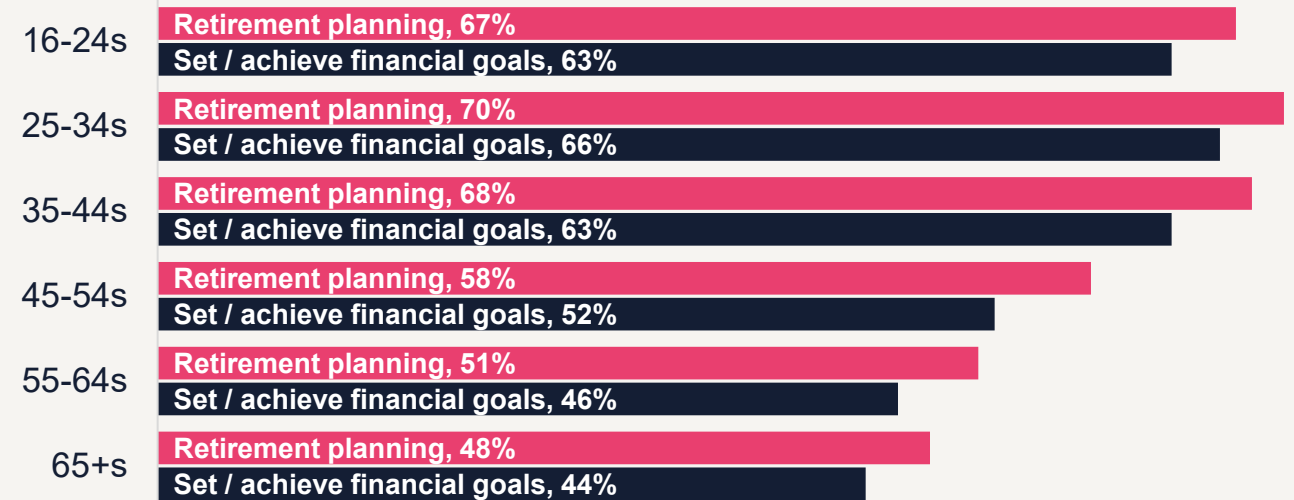
Building employee confidence through knowledge

Financial education – more than just a tick box

Our insights show across all age groups employees overwhelmingly believe that financial education at work helps them set and achieve financial goals and plan for retirement.

We've seen a correlation over the last five years where those that feel in control of their financial health showing less stress and anxiety. With 2 in 5 (41%) saying financial worries impact their job performance, this presents a great opportunity for organisations to support employees and boost engagement and productivity in the workplace through the provision of knowledge building. This can be delivered in many ways from bitesize content through to more in-depth sessions on complex topics such as later life planning.

Employees who agree that financial education in the workplace would support:



Managers matter: the human side of financial support

Managers and team leaders can be a great source of support for employees across many different elements, not just work-related. Around 3 in 5 said they would feel comfortable talking to their manager about something personal.

Managers and team leaders will often be the first to notice a change in employee behaviour so equipping them with the right tools and information to have early conversations and helping them to signpost help and support can be really beneficial.

Comfort to talk to manager about something personal



From insight to action – practical applications that make a difference

Every organisation is different. You may be at the start of your journey, or you could be looking at next steps and focus areas. Here are a few areas you could consider as part of your strategic thinking.

Action	Why it matters	How to do it well
Tailor support by life stage	Needs vary by age and career phase	Offer budgeting tools for early careers, mortgage guidance for mid-career, and pension planning for later life.
Train managers to spot and support	Managers are often the first line of support	Provide inclusive leadership training and conversation guides. Regular check-ins. Help to signpost appropriate support and benefits.
Make education accessible	Bite-sized, timely content builds confidence	Use webinars, apps, and interactive tools that meet people where they are.
Clear concise communication	Consistency of messages and builds supportive culture	Deliver communication using a multi-media approach, tailored messages delivered in accessible manner (e.g. easy to read short sentences, clutter free design, without complex labels which can be hard to read.)
Embed the importance of financial health into culture	Build financial capability to reduce stress on workplace productivity	Encourage open conversations and reduce stigma associated with asking for help.
Measure what matters	Data drives improvement	Use data to track engagement, encourage feedback, and review outcomes to refine your strategy and benefit provision.

Questions for employers

- Are your current financial wellbeing initiatives inclusive across demographic groups?
- What are you doing to support managers in having workplace conversations and do they know what's available to help colleagues?
- What does success look like and how will you measure it?

Ideas you can start today

- Launch a financial wellbeing calendar with themed months (eg "Savings September", "Future Finance February")
- Create a "Financial First Aid" toolkit for managers
- Run anonymous surveys to understand employee needs
- Partner with external experts for webinars or drop-in clinics
- Review your benefits and communication strategies.

From insight to impact – building brighter financial futures

Quotes from LCP clients following financial wellbeing support

In summary

Over the past five years, our data has painted a clear picture: financial wellbeing is deeply personal, constantly evolving, and increasingly vital to employee engagement and organisational success.

Employees need to be able to manage their everyday finances effectively to ensure they can fulfil their commitments, withstand unexpected expenses and plan for their future.

Advances in technology and digital communication channels have evolved how employees seek and receive information about their financial needs including their workplace benefits.

Small changes, focusing on delivery that employees engage with can be a very effective way to improve financial wellbeing across your workforce.



“The stats on lack of savings is quite frankly scary. Financial education is key across all ages – employers should try to have something in place. They should reinforce what is affordable.”
Benefits Manager, Manufacturing

“I'd like to say a massive THANK YOU! You brought so much energy, passion and patience to your interactions on Tuesday and it was appreciated by everyone involved.”
Education Lead, College

“Heidi created and delivered a fantastic graduate presentation covering a wide range of relevant and topical financial wellbeing areas. The feedback was overwhelmingly positive. Her presenting style is calm, informed and knowledgeable.”
HR Lead, Financial Services

“Thanks so much, that was just great! Really informative and have already received some nice feedback.”
HR and Benefits Lead, Real Estate



Your Financial Wellbeing strategy checklist:

- ☐ Understand the challenges and needs of employees including those in different demographic groups
- ☐ Review benefit offering and strategy for relevance, accessibility, and impact to build value-add and engagement
- ☐ Tailor education, guidance and support to career stages and life events to maximise return on investment
- ☐ Equip managers and team leaders with tools and signposting to enable open, empathetic conversations
- ☐ Create communication strategies that reflect how employees want to engage
- ☐ Track progress and adapt based on employee feedback and data insights.

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