



Your 2023 **Retention Strategy**

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I Foreword

Welcome to Growth Partners' introductory guide on how you can create an effective wellbeing strategy for your business in **2023**. We've focussed on how you can add a range of employee benefits and wellbeing services in a cost-effective way, without necessarily adding additional costs to your business.

We're experts in employee engagement, and over the years we've worked closely with businesses of all shapes and sizes, allowing us to gain in-depth information and insights about employees' needs across a range of sectors, which includes key drivers for employee attraction and retention, and how to make sure you're putting staff wellbeing at the heart of what you do.

This guide will act as your go-to resource for understanding the collective wellbeing needs of your employees, whilst giving you food-for-thought on how these can be tailored for individual colleague groups.

Furthermore, we'll provide you with ideas and suggestions on what to look for when you're choosing the right partner to support your employee wellbeing and engagement.

In the first part of the guide, we will look at the challenge that we are currently facing in the workplace when it comes to employee wellbeing, as well as looking at some of the demands that businesses are facing, especially considering the pandemic.



We'll then continue with a look at some insights on the three key pillars of employee wellbeing – financial, physical, and emotional, and we'll go on to explore the various ways in which businesses can increase staff retention by answering the needs of their employees. The guide will periodically talk about employee engagement; because without a clear and compelling strategy of implementation, assessment, and management, then the gains you're hoping to see, may remain elusive.

I hope you enjoy exploring the guide and find it insightful and useful. Should you have any questions or need any help putting our advice into practice, the team at Growth Partners would be more than happy to help.

Scott Read

CEO of Employee Services

I The challenge

Employee wellbeing and engagement has never received more attention and importance than it is getting right now, and this has only increased since the pandemic. Employee wellbeing cases have grown over the last few years, and as isolation periods have taken place, and remote/hybrid working has become more commonplace, we're faced with the question: are businesses factoring this into their strategies and considering what else they may need to do to support their employees?

How do businesses start to address these challenges when ultimately, they are already at capacity? Do businesses have the extra resources and expertise to support employee wellbeing, and if so, what else within the business, or budget, is going to be compromised?

As well as the ongoing impacts of the pandemic, businesses are facing a resourcing shortage, or at the very least, a challenge of recruitment based on candidate availability or suitability. So how are organisations going to keep the quality colleagues they already have, and how are they going to look after them, and maintain the ongoing wellbeing of their teams?

Nothing that we have said so far is necessarily new, but whether businesses have started to review their associated strategies isn't clear.

Initial signs suggest the need to address a combination of employee wellbeing and engagement activities has started, as Growth Partners has seen a 300%+ increase in new enquiries, and our team is having much more meaningful conversations with existing clients about how we can further support their own workplace cultures.

Keyword searches also back this up, with employee wellbeing searches consistently increasing over the last 5 years but reaching new highs in the last 12 months.



This increase in interest in employee wellbeing isn't just being led by employers. Candidates and employees alike are savvier and more aware than ever before, and a new level of expectation is being generated for businesses, and their leaders to think about, and act upon.

According to a study conducted by Gallup, data showed that of the employees questioned, all generations rank “the organisation caring about employees’ wellbeing” in their top three criteria, with Generation Z putting this as their number one workplace requirement.

To further add to the challenge ahead, the evolution of employee wellbeing and engagement is never-ending. Therefore, implementing one, or a range, of products and/or services isn't enough; managers need to manage, track, and develop their wellbeing and engagement strategy, just like any other strategy implemented within a business.

The good news is that it is never too late to start, or never too late to care. Your employee wellbeing and engagement strategy can start here, today.

Businesses of all shapes, sizes, and industries are now faced with the same challenge: how can they implement wellbeing and engagement strategies in 2023 that answer the needs of their employees for the future, while remaining a sustainable solution regarding budget and resources?

This whitepaper will reveal information from Growth Partners employee engagement experts on how you can create an efficient wellbeing and engagement strategy for 2023 and beyond.

Why do you need a wellbeing and engagement strategy?

As the challenge indicates, the reasons are multi-faceted and need to address a range of areas:



Employee retention

As the labour market presents its own challenges around candidate availability and suitability, it has never been more important to look after the employees you already have.

Not only does this reduce staff churn, but it also reduces the associated costs of recruitment, not to mention the hidden costs of induction and training of new recruits. In addition, those new recruits are likely to be less productive than fully engaged, fully trained colleagues, all of which add up to a significant impact on your bottom-line.

According to a report conducted by Gallup, a highly engaged workforce increases profitability by as much as 21%.



Employee attraction

The very same labour market means that it has never been a better time to be a candidate. It isn't uncommon for job-hunters to be considering multiple job offers at any one time – so why should they choose you?

How you look after your employees, engage with them, and communicate your employee wellbeing and engagement strategy to them becomes key. You'll need a clear narrative about your strategy and what you are trying to achieve to help attract the better, most sought-after candidates.



Employee wellbeing

Employees are seeking more support from their employers regarding all areas of their wellbeing, which has been accelerated by the ongoing effects of the pandemic and current global situation.

Employee anxiety is increasing, and emotional wellbeing concerns, including employee anxiety and physical wellbeing such as back pain from poor desk posture, are on the rise.

Furthermore, employees have rarely found themselves under so much external financial pressure, with the cost of living increasing across the UK since early 2021. The annual rate on inflation reached 11.1% in October 2022, a 41-year high, before easing to 10.7% in November and 10.5% in December

The stats speak for themselves – as many as 500,000 UK workers suffer from stress at work resulting in an average of 24 days lost per worker – that's nearly 5 weeks!

The financial cost of work related stress alone came in at close to £5 billion.

Employee engagement = Productivity

Sometimes it comes down to the basics – if your employees feel valued, supported, and well-rewarded for their commitment to the company, they are more likely to stay with the company, and deliver higher quality work during their employment.

Engaged employees take fewer sick days, return to work more quickly, and produce more.

Keeping them engaged is harder, but invaluable to you as an organisation. If you can identify how to unlock the discretionary efforts of your workforce and make it a reality, then you might just have struck gold.

Identification then needs to lead to a full strategy. Once the strategy is designed, it needs to be implemented and effectively managed.

Implementing and operating a wellbeing and engagement strategy that caters to the financial, physical, and emotional needs of your employees, can not only make you more attractive to high-quality candidates, keep the ones you already have, but also position your organisation as a leading business within your sector.



The three key pillars of wellbeing

When it comes to employee wellbeing, it can be split into three core areas: financial, physical, and emotional, however, they are inevitably intrinsically linked.

To accomplish a sense of balanced wellbeing, each of these areas need to be sufficiently catered to in your wellbeing strategy, as difficulties faced in one area may then become contributing factors in another.

Financial

A huge contributing factor towards overall wellbeing is linked to the financial wellbeing of individuals. Stresses about finances can cause performance issues at work because of reduced presenteeism. In addition, the inevitable knock-on impact can lead to absenteeism, so looking out for your employees' financial wellbeing is incredibly important, and the cost-savings are more tangible than you think.

Presenteeism: When employees are physically present at the workplace but are not operating at maximum capacity due to external wellbeing factors.

Absenteeism: When employees miss work beyond the scope of what's expected as a method of avoidance or delay.

As many as [2 in 5 \(40%\)](#) employees worry about their finances, either "always" or "often", indicating a clear need for financial support in the workplace, and not just a reliance on them self-soothing, or self-sourcing support.

Seeking the guidance and support required is a huge problem; [29 million adults in the UK](#) find it difficult to talk about financial issues and complications.

There are already some known factors that have impacted workers since the pandemic, with [37% of workers](#) stating that their household had suffered a reduction of disposable income since April 2020.

In October 2022, inflation reached 11.1%, the highest annual inflation rate recorded, exceeding the 10% forecasted by The Bank's MPCD. As of December 2022, the inflation rate sits at 10.5%.

The largest upward contributions to the inflation rate in December came from housing and household services, food, and non-alcoholic beverages. The cost of groceries combined with the hike in energy and fuel prices, means it's more important than ever for businesses to provide financial support and advice for employees.

Even though employees will continue to be hit negatively financially by the continued rise of living costs, they would be comforted if there was adequate wellbeing support in place, with as many as [67% of employees](#) wanting more financial support from their employers, demonstrating the need of this service.

With the current state of the economy, increasing the wages of staff to reflect these increases is important, ensuring employees can live comfortably with reduced financial stresses. It is also important to look at what other financial wellbeing support can be used to support the retention and attraction of staff.

Physical

It seems obvious that keeping your employees physically happy and healthy can work towards increased presenteeism and reduced absenteeism, which must be good for any business.

Too many businesses focus on employees being healthy while at work, but surely ensuring that employees have a range of tools available to remain physically healthy in all aspects of their lives means that they are better placed to be even more productive when they are at work.

According to information from gov.uk, [one in four UK employees reported having a physical health condition](#), with some of the impacts being low job satisfaction and some loss of productivity in the working day.

A study from Vitality also showed that 62% of employees surveyed felt dissatisfied with at least two of their lifestyle choices (this includes the likes of diet and exercise, for example). Surely it is safe to assume that this feeling of dissatisfaction is common amongst employees of all sectors, industries, and organisations.

[28% of adults](#) in the UK are categorised as obese according to The Health Survey for England and a more sedentary population suggest a projected downwards trend in the physical wellbeing of the UK workforce, which is going to put further pressure on employers in the coming years, so now is the time to try and look after even more of your employees.

While many of these physical health and wellbeing factors should be considered within the working environment, it's also important for employers to remember how this can impact people outside of work and take measures to ensure their employees can live full, healthy, and happy lives outside of the workplace.

Emotional

Actively promoting the emotional wellbeing of your employees can go a long way in retaining them, attracting new talent, and supporting a working environment that feels encouraging and inclusive.

The same rules apply here for presenteeism and absenteeism too, so a wholly inclusive three-pronged strategy must be considered. The challenges may also fall within an employees' close family network, so thinking about ways your strategy can also benefit their families might be just as beneficial for your business.

Vitality continues to report that work-related stress also represents a significant problem in the UK, accounting for around two-thirds of all new cases of work-related ill-health. It is estimated that about 10.5 million working days are lost yearly due to work-related stress, depression, and anxiety.

These collective emotional wellbeing conditions will impact staff absence, turnover and negatively affect the productivity and performance levels of your employees.

According to a survey conducted by Mind, alarmingly as many as 21% of employees called in sick to avoid work when asked how workplace stress had affected them.

These stats indicate the clear requirement for confidential emotional support to be available to employees, and not just those physically within the workplace, ensuring all employees can access professional care for a variety of emotional needs, at a location and time that suits them best.



Future challenges

To ensure you remain relevant in 2023 and beyond, your business should look at any future challenges and considerations that you face regarding both staff retention and attracting new talent to your business.

Hybrid working

Hybrid working will, without a doubt, become a major part of business life moving forwards. According to research from People Management, [41%](#) of businesses will have adopted hybrid working before 2024.

With this in mind, businesses should consider how this change in working methods will impact business operations going forwards, as well as how their wellbeing strategies will apply to all employees; both in-office and those in remote working roles.

Recruitment challenges

As we continue to emerge from the pandemic, it is clear that the talent pool has changed, making it increasingly difficult for employers to bring onboard the talent they need to grow and thrive.

For example, according to Bersin Academy, Covid-19 “[changed recruitment overnight](#)”, with the subsequent “Great Resignation” leading employees to re-evaluate their careers and prioritise their wellbeing.

In addition to this, employees now expect more from employers when seeking employment, especially concerns surrounding their health and wellbeing. According to Gartner, “[employees seek personal value and purpose at work](#)”, suggesting the assumptions of employers “must change”.

According to an article from Forbes, [62% of employees surveyed](#) identified employee wellbeing as a key factor they look out for when applying for a new job. This is especially the case for Gen Z, with 67% of those surveyed strongly agreeing that this benefit will be a priority when evaluating job offers.

Internal promotions

In many circumstances, business owners are faced with the issue of not knowing their workforce as well as they’d like to, predominantly due to the distance created by hybrid and remote working solutions.

This can impact decisions made regarding internal promotions – employers may feel they have no other choice but to pick certain individuals purely based on who they interact with more, such as those that are more present in the office than others.

According to a study from the Stanford Graduate School of Business, while remote workers were found to be [13% more productive](#), they weren’t rewarded with promotions at the same rate as in-office colleagues.



Next steps – implementing your strategy in a cost- effective way

Now you have a better understanding on the three key pillars of wellbeing, you need to start thinking about how you can bring this together as part of a wider wellbeing and engagement strategy.

1 Where are you now?

Put together a team of individuals that can assess the products, services, policies, and procedures you currently have in place to support the financial, physical, and emotional wellbeing of your employees. Make a list of these existing policies and assess how they support each of these three categories.

Are they doing what they are supposed to be doing, and more importantly, how are you managing them each week, month, quarter, or year?

What is your current spend? Are you getting a return on your investment?

2 What are you trying to achieve?

Set some clearly defined goals and objectives for your strategy, what needs to happen for you to be successful?

Based on your initial observations, analyse which areas of your employee wellbeing and engagement strategy has the biggest impact to your employees.

Is one approach appropriate for all employees, or do you need a more nuanced and bespoke strategy for different groups of people?

Do you have a budget, what value would an improvement in employee wellbeing and engagement bring to your business?

3 Write your strategy

What are the different components that will make up your strategy?

How wide do you want your strategy to go? Is it confined to wellbeing and engagement, or should it include other areas like employee benefits, culture, communication, leadership, employee development and information?

Can you create an inclusive and diverse team to help design your plan and approach? The engagement doesn't just begin when the strategy is designed, it should be integral to the whole project.





4 What help do you need to implement your strategy?

Do you have the skill, knowledge, and expertise to do this on your own?

Working with experts can save you time and money. Here's why:

- They understand the marketplace, know what is available and what would best suit your needs
- They have longstanding connections and relationships with reputable suppliers
- They can ensure contract terms are best suited to your needs
- They can advise on other services to provide even more added value to your business
- They can assist you with setting up and activating your employee wellbeing and engagement strategies and advise on how best to integrate them into your business
- They will work with you on an ongoing basis to assess the impact of your strategy and whether it is working



5 How will you measure the success and when will you review it?

In a repeat of step one, you should then re-audit your company strategy and its implementation after 6 months. Look at how many ideas on your plan have been successfully implemented in the time frame and whether they have positively contributed to your level of staff wellbeing and engagement.

Should some areas not have worked as well as you would have liked, devise a new plan for these areas, or consider relying on expert advice to make sure your plans are as efficient and effective as possible.

Have you met any of your objectives yet? How are these being measured? Was it employee attraction and retention, productivity, absence rates, etc?



How can this be done in a cost-effective way?

It's important to remember that there is no "silver bullet" – what one business finds useful, another doesn't. However, even if you have a finite budget, but apply a pragmatic approach, you should be able to ensure you have bases covered in all three of the key wellbeing areas.

It's important to remember that when choosing to implement wellbeing strategies within your business that you understand the costs associated, and that you are not only choosing schemes that you know will benefit your workforce but are also realistic and in line with your budget. Remember the cost might be irrelevant to the value or saving it brings the business.

Any time that you invest with a supplier should be worth its weight in gold, as they can then work with you to create or enhance your people strategy.

Finding one supplier who can integrate all the different strands of wellbeing, benefits, employee services and employee engagement is essential. This will reduce supplier costs and help imbed the knowledge and strategy into one trusted supplier, rather than multiple duplications and potential misunderstandings of what you're trying to achieve.

Of course, this comes with a perceived risk with all your eggs being in one basket, but the savings on time and energy, and the wealth of expertise it provides should soon outweigh that risk.

They say nothing in life is free, but we believe so passionately in employee wellbeing and engagement that we want to provide everyone with a helping hand; so here are a few ideas to start you on your journey to improved employee wellbeing in your workplace.

Financial wellbeing support options

The first thing to stress here starts with the very basics; If you don't pay people properly, fairly, accurately, and compliantly, all your efforts in any aspect of employee engagement will fall on deaf ears.

After this, two things are essential:

- How can you help employees manage their money more effectively?
- How can you help employees' money stretch further?



As such, as part of your wellbeing strategy for 2023, you could implement a financial-based benefit such as money advice from reputable and professional financial services suppliers. This provision should drive an improvement of understanding of the marketplace, knowledge in the products, and peace of mind about the variety of deals available.

Secondly, to help wages stretch further, think about the key areas where your employees spend their wages. Can you support this in any way? Can you use your influence as a business to create greater value for your employees?

Physical wellbeing support options

There isn't just one generic approach to this area despite some wider initiatives clearly adding value. One such component would be to implement access to an Online GP service for employees and their families.

A successful integration here will help reduce absence, allow employees faster access to medication and care, and get them back to work more quickly.

Physical wellbeing is also more than just getting to see a GP when you need one. Encouraging employees to get healthy and stay healthy is truly the best thing you can do for them, both for now, and for the long term.

The challenge is to be able to create a healthy culture without becoming preachy, judgemental, or discouraging. One size DOES NOT fit all here!

Emotional wellbeing support options

As evidence suggests that more and more individuals are struggling to cope with the pressures of everyday life, and as many as [1 in 7 working individuals](#) are experiencing mental health issues, emotional support benefits need to be a cornerstone to every business' people strategy.

The implementation of an [Employee Assistance Programme \(EAP\)](#), which provides employees with access to qualified counselling, is an essential component of any emotional wellbeing strategy.

A key element to this service is the confidentiality. Businesses cannot rely on employees needing to trust a colleague, a friend, a manager, or another employee, they need to provide truly confidential support when it is most needed

Information and accessibility are also crucial factors here. Employees need to be able to know about, understand, and know how to access the services that are implemented. Simply having to ask where the information is stored will deter some people from seeking the support they require.

Emotional support isn't just for work or work hours. It needs to be 24/7 and it needs to support the employees' wider network.

Inclusion with diversity

It's important that when implementing any kind of wellbeing strategy into your workplace, that it can be appropriately applied to all workers within your business. That said, some groups of employees may require a wider, more diverse set of support tools to others, so striking a balance and justifying it is key.

The proportion of working adults working from home has [increased by 37%](#) on average, but has your wellbeing strategy changed in line with this to support in-office workers and remote workers at equal value?

This includes ensuring that physical benefits, such as encouraging movement and fitness, are also relayed to remote workers, and that where possible, you include them in as many aspects of your strategy as you can.

The changes in working patterns, lifestyles, and practices that has taken place over the last two years has made the creation of a successful employee wellbeing and engagement strategy that much more complex, with more moving parts, and more chances of failure. So, there has never been a more important time to focus on making it work for you.

| Summary

The business environment is continuing to change and evolve, and with external factors such as the pandemic forcing this to happen quicker than normal, it's important that businesses keep in mind the wellbeing and engagement of their staff, should they wish to attract and retain that all-important talent in **2023** and beyond.

By implementing effective wellbeing and engagement strategies that cater to the financial, physical, and emotional requirements of employees, businesses can work towards creating a more engaged, loyal, and productive workforce by simply demonstrating that they truly care.

The challenge for all businesses is how to do this in a cost-effective way, that doesn't detract from the core operations that drive the success of the existing business.

Organisations that navigate the pressures of maintaining business performance, whilst implementing meaningful wellbeing and engagement strategies, will be the ones who thrive in the coming years, and the ones who extract that discretionary effort from more of their employees.



How Growth Partners can help you.

Growth Partners provides your all-in-one solution for payroll, pensions, benefits, wellbeing, and employee engagement services, helping businesses to streamline and improve their internal processes to create a more positive work environment.

Our very own My SMART-e platform is at the heart of our wellbeing strategies for 2023, where employers have customisable software that offers a broad range of wellbeing and engagement services, all in one easy to use app that is available on both iPhone and Android.

Every business has the intention of attracting and retaining great staff and creating a truly engaged workforce, no matter what the working environment, but the truth is, they often do not have the time, expertise, or resources to actively pursue making it a reality. Therefore, they need to find a partner who understands what needs to be achieved and knows how to support it.

Our team has extensive experience in helping businesses of all sizes to implement company-wide benefits, wellbeing, and employee engagement solutions, and we're able to achieve this whilst positively impacting the bottom-line financial performance of your business.

“ We are thrilled to work with Growth Partners for all our HR, business, and employee engagement needs. The company provides excellent customer service and support and have really helped us to develop a package of benefits and employee engagement tools to help us attract and retain staff. ”

Matt Hayes, Managing Director
Champions (UK) plc

At Growth Partners, we make it our goal to help your business implement effective employee wellbeing and engagement solutions while positively impacting on the financial performance of your business. The benefits of choosing to work with us include:

- > Enthusiasm, energy, professionalism, and commitment from every member of the team
- > A successful track record in all areas of our service offering
- > Experience in micro-sectors through to blue-chip corporations
- > Maintained excellence in service delivery

We're on a mission to make employers' and employees' lives easier, happier, and healthier.

Are you looking to improve your employee wellbeing and engagement strategy in **2023**, but not sure where to begin? Or are you unsure as to what the best next steps are for your business? Our team are on hand to help and provide expert advice, so please get in touch today.



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Resources Pp:

- Vitality workplace wellness survey report
- Sustaining work-relevant mental health post covid-19 toolkit
- CAPITA REBA employee wellbeing congress
- Forbes
- Gov.uk



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