

UK Banking Standards Board: What Is the Employee Health and Wellbeing Profile of the Banking Industry?

Wellbeing was one of the main topics highlighted in the recent UK Banking Standards Board annual review 2018/2019. In this article, we will discuss the challenges that employers are facing and the overall impact of wellbeing on financial services organisations.

Wellbeing is an increasingly important topic for HR heads in the financial services industry. With cost control remaining an ongoing feature of the post-crisis landscape, firms are considering levers beyond monetary reward to attract, motivate, and retain talent. Further, the Banking Standards Board's (BSB) 2018/19 report claims that there is a strong connection between employee wellbeing and company performance. This is corroborated by the [Aon EMEA Health Survey 2018](#), in which over 95% of organisations across the EMEA region agreed that employee health affects overall performance.

This relation has become further amplified by demanding working environments. Business as usual in the banking sector, for example, has been known for long work hours, making the qualities associated with positive wellbeing often difficult to maintain. However, with today's heightened competition and demand for attracting and retaining skill-specific talent in financial services, reevaluating longstanding practices to combat this issue is critical.

What are the top wellbeing concerns in financial services?

The increasing pressure and competition in the financial services industry, specifically banking, is fuelled by a growing combination of new start-ups and challenger banks, as well as traditional banks that have established standalone digital banking. This, in turn, has placed added pressure on employees. The BSB study 2018/19 found that 44% of banking employees experience excessive pressure to deliver high performance work, which likely leads to increased stress. The report goes on to highlight that employee wellbeing and stress management are critical for "managing risk, making decisions, and demonstrating standards or behaviour and competence at work."

That said, it should come as no surprise that workload is the top concern for employees in the banking industry, with over 57% of employees in the BSB report believing it to negatively impact their health. Aon's EMEA health survey supports this finding, with 96% of financial services firms naming stress / mental health as a top health challenge for their firm. Unhealthy lifestyle and financial health were a close second and third.

What can banks do to improve employee wellbeing?

The financial services industry is slightly behind the general and tech industries in recognising the correlation between employee health and performance. What can firms do to get ahead?

The BSB identified three main ways for banks to increase awareness and help employee wellbeing within their organisations:

1. Encourage and promote wellbeing in the banking industry
2. Provide employee wellbeing programmes
3. Identify the underlying causes of poor employee health

Let's take a closer look at each of these recommendations:

Encourage and promote wellbeing in the banking industry

At Aon, we believe wellbeing is an essential business strategy and an important component of an employer's benefit programme. It is multi-dimensional and includes physical, mental, social, financial, and career components. A successful wellbeing programme can positively impact employee engagement, employee productivity, and ultimately, company profitability. Firms need to acknowledge this reality. We recommend:

- Sharing best practices and learnings with other firms
- Sharing experiences with your Aon relationship manager
- Participating in the industry-specific 2019/2020 Aon surveys

Provide employee wellbeing programmes.

The benefits of a good workplace wellbeing programme are well recognised through increased employee happiness, performance, and engagement. Many firms are beginning to drive this positive change through the incorporation of initiatives that touch upon all the pillars of wellbeing, encouraging a healthy and productive workforce.

Yet, despite growing recognition of the positive impact wellbeing can have on employee performance, the financial services industry still has a long way to go. According to the [Aon EMEA Health Survey 2018](#), less than 50% of organisations across EMEA have clearly defined a health strategy, and **only 14% found their wellbeing plans to be effective.**

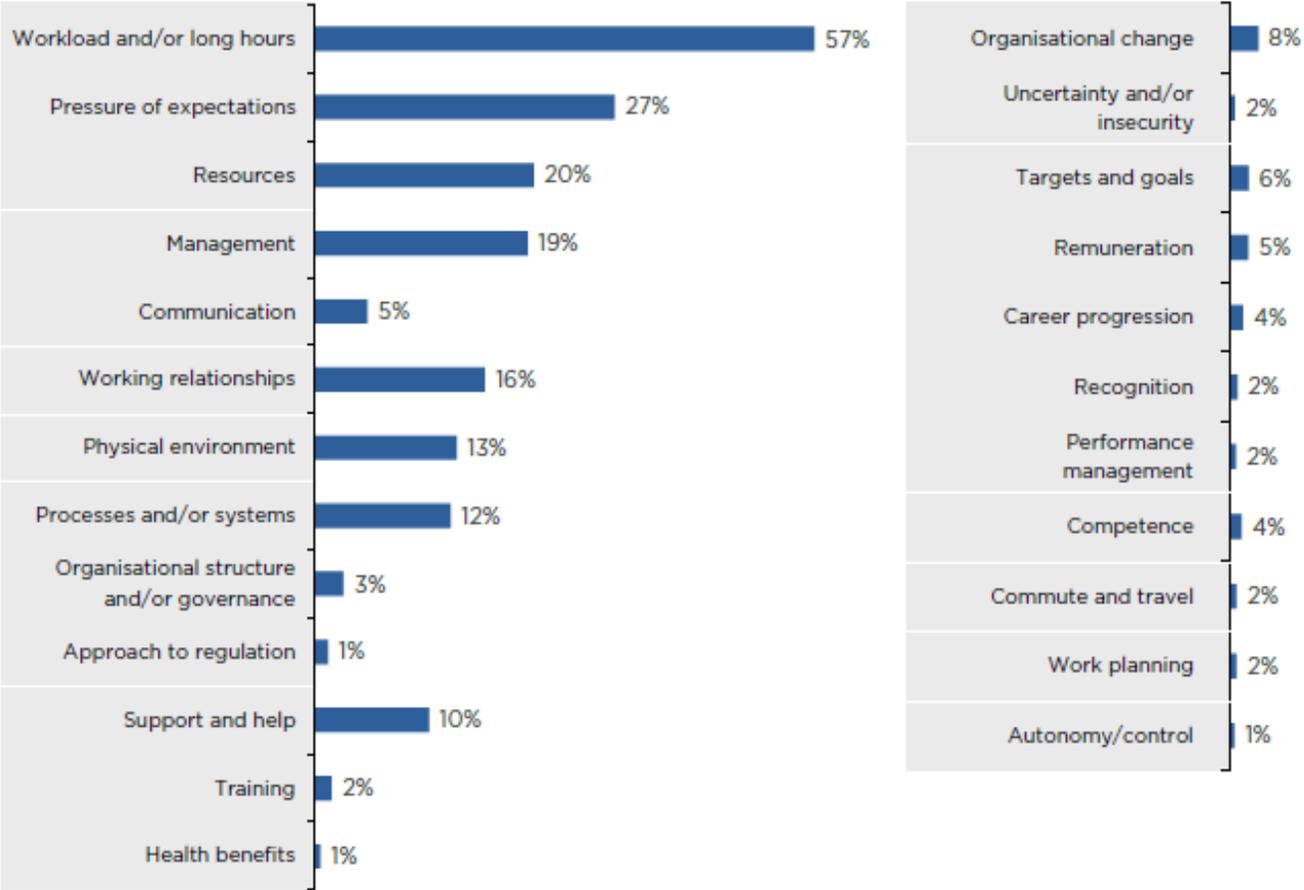
Identify the underlying causes of poor employee health

Many firms have developed their benefits packages to incorporate health initiatives, including health screenings and support for mental health. However, companies still lack data to support or track the effectiveness of these initiatives, which makes it challenging to understand the financial impact of employee health on their business.

While most organisations recognise the importance of wellbeing, only 23% use their own data to drive their wellbeing strategy. It is important for banks to review the current health profile of their organisation as a starting point to help identify risk areas and where efforts can be made to improve employee health. Aon's Well One app is one way to achieve this. This tool uses smart analytics to distil the physical, emotional, social, and financial wellbeing of your people, teams, and the wider business into simple scores that help improve your health profile by benchmarking it to other businesses in the industry.

Further, the BSB report noted that in order to add the greatest value, implemented programmes and initiatives must be practical and align to the specific company’s culture. For example, some employees may believe that they are unable to truly access or benefit from programmes due to a perception of long work hours or workplace-related stress.

What are the top causes of negative employee wellbeing and mental health?



Source: Banking Standards Board, Annual Review 2018/2019, p.56

Next steps for implementing wellbeing programmes in the banking sector

Through its report, the BSB shares valuable insight into the perception of employee wellbeing in the banking industry. Although this does not provide all of the answers, one thing is certainly made clear—employee wellbeing is a challenge that all banking organisations must carefully consider and address.

In order to be truly successful, banks must understand what they are trying to achieve in this space, why it is important for their business, and how their company culture will impact engagement in wellbeing initiatives. From that vantage point, employers can reassess – and help their employees reassess – their respective roles and responsibilities. It is imperative for businesses to support their people and create a workforce that is as healthy as possible. This can be achieved through efforts to encourage, educate, and provide health support in a timely manner throughout the employee lifecycle. Employees, on the other hand, need to accept their role as part of the workplace wellbeing contract. Each staff member is not simply a consumer of health and should accept responsibility for his or her own wellbeing. Employees must also do their part to address adaptable lifestyle risk factors, such as smoking, lack of physical activity, excessive alcohol consumption, etc.

Shifting firm focus and redistributing spend and effort to help employees thrive at work will therefore become increasingly crucial to enable the above reflection and change. While some firms may be looking to just check a box or focus on financial reward, the winners will be the ones that are genuinely committed to looking more holistically at their reward philosophy, particularly when it comes to understanding and improving their employees' health and wellbeing.

Regardless of where your firm is in its wellbeing journey, we can help drive your ideas and strategy. To learn more, please [contact our team](#).

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