

Wednesday 8th July 2020

Colin Fitzgerald, Distribution Director – Group Protection, Legal & General:

“Legal & General welcomes today’s announcement by Chancellor Rishi Sunak of a package of initiatives to help protect and create jobs for 16-24 year olds, including a £1,000 cash ‘bonus’ for firms hiring young people into traineeship programmes from September. Business recovery now rests on having engaged and motivated employees. This, in turn, will help improve the lives of everyone in the UK: creating real jobs and a better infrastructure to help overcome the current economic catastrophe and come out the other side a more responsible and sustainable society.

“Structured training programmes will go a long way towards attracting the right candidates to the right job in the right company, and will no doubt prove particularly attractive to more cash-strapped SMEs. But it’s also important to remember that training and development should form part of a wider employee wellbeing programme: a programme built upon a clearly articulated purpose; with reward and benefits programme at its heart; designed and communicated in line with employee needs; and hardwired to business goals. The pandemic hasn’t changed any of this. What it has done - especially during lockdown - is made leaders realise the crucial importance of employee wellbeing to productivity and profitability.

“Employees now entering the workforce for the first time place a premium on how companies care for them. How employers respond to wellbeing issues like stress, burnout and uncertainty will be a hallmark of their attitude towards responsibility and sustainability. Yet while 61% of people trust their employer to look after their wellbeing, only 29% of HR leadership have a health and wellbeing strategy in place.¹

“There’s a common misconception that that wellbeing programmes are too costly, especially for SMEs. But they’re only too costly where benefits are ill thought through and not communicated well.

“It’s telling that SMEs (50-249 employees) pay an average £1,078 per employee per year on one-off rewards, such as celebrations and vouchers.² When, for around £650 per employee per year, they could have life insurance, income protection and critical illness cover.³ Such a package – communicated in a personalised and targeted way - would not only afford the business and its people financial peace of mind, but would also give employees the tools they need to keep happy and healthy: for example, immediate-access to legal, financial, physical and emotional information and support via Employee Assistance Programmes.

“This might also extend to mental health related resources, training and best practice to help reduce stigma and support employees to thrive at work, such as that provided by Legal & General’s long-running Not A Red Card initiative. All of this would also obviously bring to the employer a competitive advantage in terms of recruitment, retention and engagement.

“Our future workforce is searching for a genuine shared purpose and the smart organisations – those that hang on to employee wellbeing lessons learnt during lockdown – will be the winners.”

Sources:

¹ Mercer Global Talent Trends 2020

² GRiD 2019 Employer Research

³ Swiss Re Group Watch 2020 (average per employee cost of providing group risk: £133 for group life, £313 for group income protection and £200 for group critical illness)

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