

Look at financial stress to tackle mental health

Money is inextricably linked to our mental, emotional and physical health. In fact, the Office of National Statistics Opinions and Lifestyle survey has outlined that emotional wellbeing, unemployment and financial stability are the top three worries that affect people across the UK.

Moreover, research suggests nearly half of adults in the UK admit to feeling anxious about money, with a third saying that they struggle to sleep because they've got their personal finances on their minds. And the pandemic only worsened this perpetual anxiety married to our finances.

Over the past year, the FCA reported that low financial resilience grew by 20% during the pandemic, leaving millions suffering with uncertainty and stress over mortgage payments, rent, and credit card debt.

Pleo's YouGov research of 1000 UK SMEs has also found that this financial stress is rife in the workplace, with 30% of UK employees experiencing financial loss or stress as a result of poor expense processes.

The difference, however, is that businesses can make changes to address these issues. And as concerns surrounding mental health in the workplace have grown, what can businesses be doing to eliminate money-related stress altogether?

The money connection

It's time to start treating financial stress in the same manner you would mental, emotional and physical health – by building an environment where people feel comfortable discussing money-related issues. And businesses, with the help of technology, can play an extensive role in this.

People can typically shy away from money-related subjects given their very personal and complex nature. However, the pandemic has taught us that no matter your financial situation, our anxieties around money connect us.

Interestingly, since COVID-19 hit, *The Money Wellness Index* reported that: 48% of people are *more aware of finances*, 43% wanted to pay more *attention to day-to-day spending*, and 51% would *feel better* if they had *more insight* into financial matters. That said, 43% stated they *felt alone* when it came to managing money – a factor that can only be overcome through better communication and connection, at home and at work.

As a business, the sentiments around money and stress are no different – particularly in the case of things like expenses, where personal and professional finance can blur. Instilling a sense of understanding when it comes to money – whilst supporting team members with money-related anxieties – is crucial to managing financial-stress through building a transparent culture. Technology plays a key part in this.

Mo' money mo' problems

Whether self-employed, a startup or a large enterprise, money wellbeing must be central to how a business is run. That means educating teams and showing how each transaction impacts the financial chain. This is particularly important if we want to be better at managing day-to-day business expenses and removing the anxiety around them.

Although it's important to track every single expense, it can quickly become an insurmountable task to manage, especially when tracking transactions and receipts from *disparate payment sources*.

There is pressure on the person submitting the expense (both on time and potentially their pocket) as well as the person managing the expenses for the business.

It's why expense management and reporting tools are vital to business success. By giving teams a solution to streamline and automate these processes, you alleviate stress, control expenditure, comply with HMRC's

Making Tax Digital policies, and stimulate company-wide financial and emotional resilience.

Show me the money

While automation plays a role in organisational expense tracking, the challenges still remain on how to discuss money-related issues. Therefore, it's vital to work with technology companies that know how to foster positive relationships between the business and its employees, as well as understands how to implement financial transparency in order to tackle financial stress.

A crucial first step is that businesses need to provide a level of visibility into their finances so people realise the importance of business expenditure. For example, invoices (issued and received and how this affects cash flow) and *all* allowable business expenses such as utilities, subscriptions and individual costs. By providing this level of transparency, people will feel more empowered and involved in the day-to-day running of the company, which will drive them to become more responsible when handling its money.

Why? Because people will see that they're working towards a common business goal with a clear view into how they are *contributing to the business* from a financial aspect. In addition, the company is basically saying: 'Hey! I trust you to know about these things!' - and trust is super important.

Smart technologies educate people to become well-versed on how a business operates, and also bolsters trust. This creates an environment where talking about money becomes second nature as people begin to understand what business expenses are and why they are so important. In turn, this bolsters employee engagement and their overall mental wellbeing.

In money we trust

Traditionally, businesses only distributed company cards to senior people owing to banks' cumbersome set-up processes. As a result of this, our research shows that there is a lack of trust in handing over the company plastic, with only 22% of UK businesses stating they would trust employees with a set limit, and 17% saying they would only give it to senior leaders without a set limit. More than 70% of companies *do not trust their staff* with company money, and we need to address this issue.

As a result of this mistrust, archaic business processes continue to haunt employees and encourage time and labour intensive tasks logging date, time, amount and reason - all of which can be very stressful.

However, if businesses automated their processes, there would be less burden on 'donkey work' and more focus on helping to grow the company. There would also be an understanding on what is an allowable business expense – helping staff feel liberated.

In addition, today's more agile, online smart-card tools means you can add and remove people on a company account with just a touch of a button. This policy can empower staff and create an egalitarian workforce, whilst reducing the stress associated with money.

More importantly, there is real-time control of finances and the bottom line thanks to expense and accounting integration, which means more savvy forecasting and a clear handling of day-to-day expenditure. This is vital during times like now where businesses have to constantly react.

Money talks

By enabling technology to play a special role in how your business operates financially, you can minimise stress and encourage insightful conversations around money that take a unified approach towards a common goal.

Furthermore, the transparency in which you run the business will cultivate a more spirited and responsible team who have an invested interest in building it.

There will be more open discussions and ideas on what to do during growth, and conversely, how to manage contraction and downturn, with an assertive understanding as to how business decisions are made.

This all feeds into educating valued team members with financial insight whilst controlling the purse strings and managing the stress that people associate with money.

By making technology and transparency around money a part of your business ethos, you can build financial resilience for your employees, while freeing up their mind from financial stress and ultimately boosting their overall wellbeing.

Written by Jeppe Rindom, CEO and cofounder of [Pleo](#) – a smart card and expense solution – who founded the company in 2015. In 2020 alone, Pleo doubled its customer base to 13,000 (and now has 15,000 at time of print) as it offered much needed insight and help with managing money by fostering financially transparent workplace cultures that can only be answered by smart, automated expense tracking and reporting solutions.

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