

TIP SHEET

# How to deal with financial stress

Speak to a wellbeing expert





**With the rising cost of living in full swing these days, it's not uncommon to feel stressed about money. 52% of UK adults say they feel stressed or overwhelmed about their finances for several reasons, including debt and upcoming expenses.**

Money worries can have a range of impacts, ranging from physical, mental and social. It can affect the best of us, no matter how resilient.

The impacts of stress can seep into everyday plans, leading many to develop insomnia, depression and social withdrawal. Organisations must stand by their employees and let them know they are not alone.

Businesses will benefit from reassuring their team that there is help available. This is where a health & wellbeing platform can help you and your team build healthier habits and aid in beating back the issues that arise from financial stress.

# Understanding financial stress

The cost of living is rapidly rising worldwide. Ongoing supply chain issues and a world re-adjusting postpandemic have made inflation and food shortages the norm. Governments are forecasting a lean year. Financial stress is a worry for every person. Fiscal concerns can debilitatingly impact employees' mental and physical wellbeing and productivity.

## Here are some situations that may cause financial stress:

**Job loss:** Losing your job or facing a period of unemployment can cause feelings of uncertainty and a sense of panic - this is usually due to worrying about how you'll be able to make important payments moving forward.

**Escalating debt:** Being confronted with multiple debts is never easy. If you miss payments and fall behind in paying back your debts, you'll likely start to worry about whether you can pay them off successfully.

**Unexpected expenses:** It's no fun having to put a sum of money towards something you haven't planned for, especially if a significant expense crops up and you're not able to afford it just yet.

[Find out how Personify Health can support your wellbeing here.](#)

94%

**of UK employees are suffering from money worries**

77%

**of employees say that money worries impact them at work**

89%

**of larger UK businesses are impacted by poor employee financial wellbeing**

43%

**of the working population felt too uncomfortable to ask for a raise**

# Effects of financial stress

No one likes to feel trapped - and financial stress can make you feel like you have no options. Financial stress is rarely left at home. Figures show that 22% of employers face reduced productivity, with the same number also facing a loss of talent due to employee money worries.

## Here are common side effects of financial stress:

**Insomnia:** It's hard to fall soundly asleep and maintain a healthy sleeping routine at the best of times, never mind when you're in trouble financially. From imagining the worst-case scenario to excessively overthinking, money problems often cause insomnia and a disrupted sleeping pattern.

**Weight gain or loss:** With a lot of stress comes distraction, so it's common when stressed to be more focused on your problems than your diet - whether you're overeating or undereating, weight is known to fluctuate during times of financial hardship. This could be due to loss of appetite, inability to afford enough food, or comfort eating to distract yourself.

**Depression:** Constantly feeling stressed about your finances can develop into depression. Unmanageable levels of worry can manifest themselves into feelings of hopelessness, low self-esteem, lack of energy and loss of interest in day-to-day activities.

**Anxiety:** Being comfortable with your financial situation is a safety net that not everyone has the luxury of having. If this isn't the case for you, you from financial worry, which can cause you to experience difficulty concentrating, a sense of dread and shortness of breath - all known signs of anxiety.



**Social withdrawal:** If you're having money problems, you may withdraw from friends and family - whether that's because you're not in the right frame to socialise or can't afford to. This can lead to feelings of isolation and disassociation.

**Physical ailments:** High-stress levels can take a physical toll on the body, which can be revealed through headaches, chest pain, diarrhoea, constipation, high blood pressure, diabetes, heart disease and more.

## Dealing with financial stress

No matter how isolating it may feel to be stressed about personal finance, it's always best to assure your team that they are not alone. At Personify Health, we help your employees on [their health and wellbeing journey](#), including their financial ones.

We've put together some tips to help your employees begin to push back against the strain of rising costs and financial stress.

1

# Talk to someone

Sometimes all it takes is for someone to provide a listening ear. Employers can help support their team by offering a safe space to talk by understanding that money worries and financial wellbeing are sensitive and personal topics for many. You should look to help provide regulated advice and cost reduction schemes. As well as simply being considerate and seeking to understand their position.

Businesses should also look to implement a financial wellbeing programme that creates and nurtures healthy financial habits. Virgin Pulse provides a multi-faceted platform to engage members daily and cultivate healthy habits. Our personalised platform offers support from daily content cards to digital coaching.



# 2

## Take an inventory of your finances

If you want to recognise money problems and reach a viable resolution, you must get a full picture of the amount you earn, spend and owe. The best way to begin this journey is to own your bank balance - start by compiling bank statements from the past three months.

Note down exactly how much you receive monthly

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Make a list of your debts - from missed bill payments to money you may owe family and friends

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Highlight each of your expenses using a different colour to categorise the outgoings (e.g. essential and non-essential)

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Identify unhealthy and impulse spending patterns



# 3

## Make an action plan

Once you've reviewed your finances and have an idea of how to work towards a solution, the best thing to do is to get some actions in place that you feel confident you can stick to.

Cut down on impulse spending

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Switch to a credit card with lower interest rates

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Pay off your debts before saving

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Review your providers and consider switching to a cheaper option

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Check to see if you're eligible for any extragovernmental help

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Try to make your plan as detailed as possible, but remember to go easy on yourself. Setbacks are bound to crop up, but you'll be on the right track if you stay focused on your goal.



# 4

## Decide on a monthly budget

Once you've reviewed your spending, take further measures to improve your money management by sticking to a monthly budget – it's the next natural step.

Decide on whether you'd like to create your budget on paper, a spreadsheet or a budgeting app

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Determine fixed and variable expenses

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Fixed refers to the expenses that remain the same amount each month, such as rent and insurance

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Variable expenses are likely to change each month, like groceries and entertainment

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Assign a maximum monthly value to each variable expense

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Factor in unexpected expenses if possible, like home repairs or parking tickets





# Managing general stress levels

Although your money troubles may not go overnight, they're sure to ease over time once you begin taking the necessary steps. One thing that certainly won't help your financial anxiety is if you struggle with worries in other areas of your life, so it's important to make sure you're reducing your overall stress levels as much as possible.

## Let's move

Sometimes, the term exercise can signal a sense of dread for some people. However, lowering stress levels shouldn't only be doing copious miles on a treadmill. For those who are quite early on in their wellbeing journey, setting a step target, be it daily or weekly and taking a walk around a local park can play a crucial role in helping to lower stress levels.

## Digital coaching

As employee health comes further into focus, not only due to the pandemic. Employers must step up to support to stay ahead of the curve. Alongside rising financial stress, workers are dealing with anxiety, burnout and any other personal physical and mental ailments they have. Properly investing in a health and wellbeing platform has never been so important. With Personify Health, employees can get a personalised experience that enables them to access exercise plans, improve nutritional health and connect with others during challenges to manage their health with others by their side effectively.

## Eat well

What we eat greatly affects our mood. When things are a little tough, it can be easy to indulge. Eating better doesn't just have to be rabbit food. It's the whole process. Mindfulness can happen when preparing a meal from scratch; encourage your team to try and recreate a takeout favourite at home; maybe swap some ingredients for extra veggies. Even making a little extra to last a few days? Supermarkets now do deals on wonky veg boxes, too, so it doesn't always have to hurt the bank balance.

## Healthy habit challenges

Having a good support network and people to talk to help to reassure you that you're not alone. With the rise of remote work, this has become more of an issue, with certain workers feeling increasingly isolated. However, a good way to reduce stress can be setting aside time in the calendar to catch up with a colleague, family or friend. If they're in the same city, organise a meet-up over a coffee or a meal. However, connecting with others can mean setting aside time to call, text, or having a chat over a video call.

# Because health is personal™

Managing financial stress isn't easy, but you don't have to do it alone. Personify Health has a range of solutions, from creating monthly budgets to using a health and wellbeing platform. Our personalised solutions allow all members to get onto the path of financial wellness. Feel free to reach out today and kickstart your employee's journey to better financial peace of mind.

Speak to a wellbeing expert

Learn more at [personifyhealth.com/global/en](https://personifyhealth.com/global/en)

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