

Pension engagement isn't an added bonus – it's crucial

Hargreaves Lansdown (HL) Workplace

The introduction of auto-enrolment has played a huge part in ensuring our workforces are paying into pensions and saving for retirement.

But just paying in isn't enough. A workforce needs to actually engage with their pensions – it's absolutely fundamental to the success of workplace pension schemes and good outcomes for pension members.

Without the support and knowledge of what's needed to retire comfortably, employees won't value the importance of retirement saving, possibly until it's too late.

Businesses are then left with a workforce that can't afford to retire. This presents its own set of challenges, particularly around succession planning and managing an aging workforce.

At HL Workplace, driving higher levels of engagement is an ongoing priority. And the desire to help people better manage their money underpins our passion for what we do. This focus has culminated in developing our industry-leading Engagement Dashboard.

The Engagement Dashboard

The Dashboard is designed to give scheme-level visibility of member engagement, with a comparison to the previous year and sector benchmarks.

We focus on seven measurable member actions that apply to all age groups.

The aim of the Dashboard is to make it easy to identify engagement gaps and subsequently deploy a multichannel strategy that drives results.

A case study

Last year, we secured the workplace pension of one of the largest worldwide charities. We have some corresponding engagement data from their previous provider to compare with ours – see the before and after below.

	Previous provider (% of members) Data from the last scheme year	HL Workplace (% of members) Data after 1 year
Employee online access	10%	52%
Logged in within last 12 months	2%	71%
Contributes more than the Company's minimum	38%	51%

It's evident that moving to HL Workplace is a game-changer for engagement and better member outcomes.

How do we achieve these results?

Like with most things, there are multiple factors at play that, when combined, make a huge difference. Our multi-channel approach includes:

- personal, bespoke scheme-level education. This usually includes one-to-ones and presentations (both onsite and remote), monthly newsletters and sessions on a variety of financial wellbeing topics
- a wider savings solution that caters for all ages and life stages
- creating relevant, segmented and bespoke communications for the employer to send to employees
- making it simple and easy for pension members to implement action through our app, online or calling our helpdesk
- sustained efforts to engage employees on an ongoing basis.

Talking about wider savings can also help employees to think about retirement savings sooner than they would have otherwise. If employees start engaging with their short and medium-term finances, they're more likely to think about their longer-term needs.

We've also found that the newer a pension member is to HL, the more likely they are to engage with us. So producing targeted communications for new pension members is key.

And if we're providing one-to-ones, we know that 63% of pension members who had a one-to-one decided to increase their contributions, compared to 38% of those who didn't have a personal meeting.

It's also important to consider when not to contact a pension member. Sending too much information puts people off, especially if it's not relevant.

We have a great track record of improving engagement and striving for better member outcomes. There's still more work to do, but it's clear that a consistently bespoke service and personal touch drives great results.

HL Workplace offers award-winning pensions and savings solutions. It's a one-stop shop for employees that offers more choice, more control and more flexibility at every life stage. To find out more about what we do, you can contact Richard.Turner@hl.co.uk