



Health



The small business guide to **Managing Costs**

Introduction

The cost of living is currently at the forefront of everyone's minds. With increasing bills, inflation on the rise and financial uncertainty, it's unsurprising that many of us are concerned about the financial situation and the future. One report found that three quarters of small businesses see the crisis as the biggest threat to their survival in the coming year.¹ This uncertainty is having a big impact on the mental health of business owners, with 62% saying that the stress of running a business keeps them awake at night.¹

It's important to understand the link between financial wellbeing and mental health in order to be able to make financial decisions for you and your business that benefit your overall wellbeing.

The link between financial wellbeing and mental health

It might not come as a surprise to learn that financial wellbeing can have a big impact on our mental health. A survey of nearly 5,500 people with experience of mental health problems by the Money and Mental Health Policy Institute found that 86% of respondents said their financial situation had made their mental health problems worse.²

Financial wellbeing can also affect people in the workplace. Two-thirds of employees who are struggling financially report at least one sign of poor mental health at work, including tiredness due to loss of sleep, poor concentration and reduced motivation.²

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of business owners surveyed say the stress of running a business keeps them awake at night.¹



Eugene Farrell, Mental Health Lead at AXA Health, shares his tips for how business owners can look after their teams' mental health when it comes to financial wellbeing:

- Provide financial education, tools and resources and signpost your team to the support that is available both internally within your business and externally
- If you have one in place, remind employees that your Employee Assistance Programme can help with debt support as well as mental health support
- Provide training to line managers to help them look out for signs that a member of their team may be struggling with their financial wellbeing or their mental health
- Encourage your team to talk about their problems to normalise discussions. This can start with you as the business owner - if you share when you're struggling, it can encourage others to feel comfortable sharing when they may be struggling too
- Encourage skills training that helps employees to move to higher paid roles. This can help both their financial wellbeing and also their motivation and self-esteem in regards to their career
- Look into providing employee discount schemes if you don't already, such as retail discounts or discounted gym memberships.

How we can help

With an Employee Assistance Programme in place, your team can get help with the things that are affecting them right from the start – before their everyday stresses begin to influence their wellbeing and productivity.

You can provide our Employee Assistance Programme Essentials combined with our Mental Health option to your team for as little as £3.35 per person, per month.*

Find out more, including what we do and don't cover, and get a quote today.



*Based on six employees (aged 25, 30, 35, 40, 45 & 50), living in Guildford, with a £100 excess and a two year moratorium on pre-existing conditions. Costs are representative as of October 2023, and prices will vary depending on location, cover options and ages.

Simple tips to save money at work

While it may be difficult to save money on things such as energy bills, there are some simple tips that could help you and your team save money at work.

- **Take your own lunch and coffee to work.** According to one survey, workers in London spend an average of £50.50 per month on lunch and £30.50 per month on coffee.³ When these are combined, this adds up to £972 a year. Next time you're making a family dinner, you could make a little extra and take the leftovers with you to work for lunch the next day. You could also make your own coffee at home and take it on your commute in a thermal flask.
- **Switch up the commute.** Are there people in your team who could set up a car sharing scheme together? This could save on the cost of petrol and it's better for the environment as it means there'll be less cars on the road. If you live fairly close to the office and normally use public transport, consider whether you can cycle or walk to work instead.
- **Install motion sensors for lighting.** If you're able to, you could install motion sensors to help you avoid unnecessary electricity bills as they will turn the lights on when someone enters the room and turn them off again when the room is empty. If you're renting your office space and can't install motion sensors, you could remind your team to turn the lights off when they've finished in meeting rooms or aren't using the kitchen, for example.
- **Embrace remote working.** Remote working for one or two days a week can save you money on heating and electricity when your employees aren't in the office. It can also save your team time and money too, as they won't have to spend on petrol or train fares to get to the office.
- **Reduce paper use.** Set your printers to automatically print double sided and utilise any single sided print outs for scrap paper. This can help you save money on paper and ink cartridges and it's better for the environment as it can reduce paper waste.
- **Embrace digital advertising.** Print and TV advertising can be expensive. However, there are some digital marketing tools that you can use to promote your business that don't have to cost you a thing! From social media, content marketing to email marketing, there are lots of free or low-cost digital marketing tools at your disposal.
- **Buy in bulk.** Many of the items needed for the office can be bought in bulk, from tea bags to paper. This can save you money as you will often get a cheaper price per unit. It can also save you money on delivery rather than ordering in smaller quantities.
- **Review your expenses.** Looking into all of your expenses can help you to save money. Whether that's your tea and coffee supplier, or where you source your office stationery, look into where you are spending money and then look for cheaper alternatives to help cut costs. Even small savings can add up.
- **Hire and train inexperienced staff.** Hiring highly experienced employees can be costly. However, you could hire more inexperienced staff and invest in training them. Not only will this save you money in hiring, but it can also mean that the employees are more loyal to your business, as you have spent time and money in training them and building their career.



The cost of absenteeism

Sickness absence affects all businesses, regardless of their size. However, small businesses may feel the financial implications of sickness absence more acutely than a large business due to their limited resource.

According to analysis by Deloitte, the annual costs to UK employers of poor mental health increased to £53-56 billion in 2020-21 (this is estimated as the combined costs of absenteeism, presenteeism and labour turnover.)⁴ Presenteeism (when employees are at work but not able to fully function due to ill health) can also be a big problem for businesses. One survey found that 84% of respondents had observed presenteeism in the previous 12 months.⁵ Encouragingly, the report found that there was an increase in the proportion of organisations taking steps to address presenteeism compared to the previous year, however 43% of organisations experiencing presenteeism aren't taking any steps to address them.⁵ This increase in presenteeism could also be costing businesses, as workers are unable to work as productively as they could do.

In 2021, an estimated 149.3 million working days were lost because of sickness or injury in the UK, equivalent to 4.6 days per worker.⁶ It can be difficult to calculate the cost of sickness absence for an individual business, as there can be a number of direct and indirect associated costs, including:

- The monetary cost of paying the team member while they're unable to work due to ill health in accordance with your sick pay policy
- The recruitment costs that can be associated with hiring a temporary replacement for the team member while they're not able to work
- Other members of your team having to pick up on the workload of the employee who is off sick, meaning they have less time to focus on their own tasks
- There may also be a risk to the customer/client relationships that the employee has built up, particularly if a replacement for the team member can't be found in the interim.

While a certain level of sickness absence is unavoidable, there are actions that business owners can take to invest in the health and wellbeing of their team and save money at the same time. When costs are rising for many things, taking these simple steps can actually save you money in the long run. According to analysis by Deloitte, the estimated return for employers investing in measures to tackle mental health problems is on average £5.30 for every £1 invested.⁴ These interventions can include:

- ✓ **Review your workplace culture.** Look out for signs that indicate that employees may be struggling with work life balance. Are people still sitting at their desks long into the evening when they should have left at 5pm? Do you notice that your team regularly sit and eat lunch in front of their computers rather than taking a break?
- ✓ **Consider flexible working hours.** If your business allows for it, you could allow your employees to flex their working hours, so they can fit in a gym session before work or pick their children up from school.
- ✓ **Incorporate private health insurance to your employee benefits package.** Healthcare cover can help you and your team get back to work quickly through prompt access to diagnosis and treatment (depending on the cover options you choose).
- ✓ **Monitor sickness absence.** This can help you see if there are any patterns in absence, and identify particular members of your team who may be struggling with their health or wellbeing - so you can help them to get support.
- ✓ If someone in your team is on long-term sick leave, it's important that you **remain in regular contact** with them, handled sensitively. This can help show that you're on their side and are there to support them. It can also make their return to work feel less daunting, as they'll still feel like they're a valued part of the team.



Flexible, affordable healthcare cover

At AXA Health, we want you to get the healthcare cover that's right for your business and your budget, and to help keep your team happy and healthy. Providing prompt access to diagnosis and treatment can help to reduce the amount of time that your team need to be away from work due to sickness absence. That's why we offer a range of cover options for you to choose from, so you can build a plan that works for you.

Our cover options include:

- ✓ **Treatment** – Cover for hospital procedures and operations, including surgery, plus when you include Comprehensive Cancer Cover, radiotherapy and chemotherapy for cancer
- ✓ **Diagnostics Only** – This option can help you quickly find out what's wrong if you or one of your employees becomes unwell
- ✓ **Outpatient** – Employees with a GP referral are seen quickly by a specialist at a time and place that suits them (subject to eligibility and underwriting)
- ✓ **Therapies** – Cover for referred treatments by a recognised osteopath, physiotherapist, acupuncturist or chiropractor
- ✓ **Mental health** – Look after more than just your employees' physical health with cover for mental health treatment
- ✓ **Private GP** – Makes it easy for you and your employees to see a private GP in person, promptly, at a time that's convenient
- ✓ **Travel** – Whether travelling for business or pleasure, cover your team for emergency medical treatment. You'll also have access to other travel-related benefits
- ✓ **Dentist and Optician Cashback** – Help your employees look after their teeth and eyesight with cashback towards dentists' fees, glasses, contact lenses and eye tests

- ✓ **Extended Cover** – Provides even greater flexibility and choice over where your people are treated
- ✓ **Employee Assistance Programme** – If you or your team are going through difficult times, such as divorce or financial difficulties, this option provides a professionally trained expert to talk to; on the phone, or in person, depending on the chosen programme. (You need at least one other cover option in your plan to buy an EAP option).

If you are buying cover for 1-2 people only, you will need to include either the Treatment option or the Diagnostics Only option in your plan.

For more information about our cover, any cover limitations and what we don't cover on our Business Health or Business Protect products, please speak to your intermediary contact.

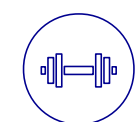


Included as standard

Regardless of the cover options you choose, you'll have access to the following included as standard:



Access to our online GP service – AXA Doctor at Hand makes GP appointments easy. Book a video or phone consultation with a fully qualified GP at a time and place that suits you* Doctor at Hand is provided by Doctor Care Anywhere



Wellbeing incentives – Access to up to 40% off monthly Nuffield Health Fitness and Wellbeing centre membership and Hussle Monthly+ pass fees** for you and all your employees (aged 16 and over for Hussle, aged 18 and over for Nuffield Health)



Cancer and heart care – Our experienced healthcare practitioners are available at the end of the phone day or night. Speak to our specialist cancer and heart nurses 9am to 5pm Monday to Friday. Outside these hours our experienced nurses and counsellors provide round the clock support by phone



Bone, muscle and joint support – Get to the bottom of aches and pains with no need for a GP referral. Speak to the right expert online or over the phone. Our bone, muscle and joint service is available to members aged 18 and over



Health support line – Our team of nurses, counsellors, midwives and pharmacists are on hand to support you and your team.

Find out more about the different cover options that we have available, including what we do and don't cover, and get a quote today.

Ways to lower your costs with AXA Health

At AXA Health, we understand the importance of managing your costs when you own a business, and that you'll want to get the best deal for your budget. We have a number of budget-friendly ways you can manage your plan. These include:

- **Pay up-front** – Save 5% by paying your subscription yearly instead of monthly
- **Fix your subscription for two years** – Know exactly how much you'll be investing in each employee over the next two years (tax changes still apply)
- **Choose an excess** – Reduce your annual subscription with an excess
- **Pay less for using specialists that we've sourced** – Our Guided option will provide you with the choice of up to three specialists and allow you to book an appointment at a time and date that suits you (this option is not available with Extended Cover). Any unauthorised treatment will not be covered
- If you already have business health insurance with another provider, we can save you up to 10% off your renewal premiums when you **switch to AXA Health**.

40% off

monthly individual gym membership fees.**

*Appointments are subject to availability.

**Terms and conditions apply. Visit axahealth.co.uk/terms/gym-discount for more information.

Together, let's build wellbeing your way

Your people. Your business. Your culture. Our experts will work with you to build a shared wellbeing ambition for your business, whether that's for the short or long-term. We'll help you connect your strategy, bring the expertise and technology to tackle health trends and achieve your organisation's wellbeing goals – including supporting your team's financial wellbeing.

Whether it's onsite, physiologist-led health assessments to help your employees gain an understanding of their health or a wellbeing consultation day for your employees – we can work with you to create a tailored health and wellbeing plan that suits your people and your budget, no matter how big or small.

Here is an example of how we can help maximise your health and wellbeing strategy by building engagement and health awareness (the below options are at an additional cost to your healthcare cover and some options require a minimum number of participants):

- Health check-in with a physiologist supporting home workers looking at key health indicators
- Offer onsite lunch and learn mindfulness seminars
- Help employees gain a deeper understanding of their health with a 1-2-1 Know Your Numbers onsite health assessment
- Train up some Mental Health First Aiders for first response
- Plan webinars or seminars focussed on creating healthy habits throughout the year.

While the cost of living crisis is outside of your control, there are steps that you can take to help reduce the impact that it can have on your business and your team. Prioritising health and wellbeing within your business can help to reduce the risk of high sickness absence and presenteeism costs, and it can also help to keep your team happy. Creating a culture of open dialogue where people feel comfortable sharing when they are struggling can help your team feel supported and feel that their wellbeing is a priority.

Investing in the health and wellbeing of your team can help save your business money in the long term, by reducing sickness absence and staff turnover.

At AXA Health, we want to help you make health and wellbeing a priority. To find out more about how we can help, please speak to your intermediary contact.



AXA Health small business health insurance

If you'd like to find out more about business healthcare cover for your business, including what is and isn't covered, please contact:

Sources and references

¹ [Paypal research via SmallBusiness.co.uk, 2022](#)

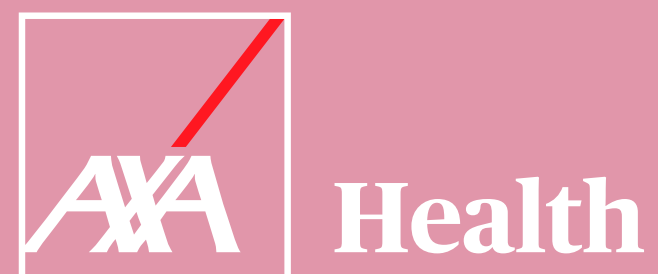
² [Money and Mental Health Policy Institute](#)

³ [City AM, 2018](#)

⁴ [Deloitte, 2022](#)

⁵ [CIPD & Simply Health, 2021](#)

⁶ [ONS, 2021](#)



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