



Evolving in the Age of Ambiguity

Harnessing wellbeing, finances and
personality in the face of uncertainty



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“ More than a decade on from the global financial crisis that ushered in austerity and almost two years since Brexit and the emergence of a devastating pandemic, we’re still grappling with significant economic and individual uncertainty.

It’s there in the sustained record-low interest rates coupled with escalating inflation and rises in the cost of living. It’s there in the global climate crisis that demands radical action to resolve it. And it’s there in the mismatch between employees’ skills and employers’ jobs as the fourth industrial revolution redefines our understanding of work. And, post-lockdown, employers and employees alike are wondering what working life looks like both now and in the future.

But there are positive changes too. The UK economy is growing and unemployment is falling. At the same time, the rapid discovery and deployment of multiple COVID-19 vaccines is playing a part in helping the UK and parts of the wider world to adjust in a constantly evolving situation.

At Aviva, we’ve been monitoring the fluctuating world of work since before the pandemic, examining the employee experience and the opportunities and challenges that today’s uncertainty presents. This is the Age of Ambiguity, and it’s the new steady state for our times.



Our latest report picks up where the previous one left off as our focus turns to the future. We look explicitly at how employees imagine their future wellbeing in the Age of Ambiguity, how their current experiences affect those aspirations, plus how personality type influences their perceptions and their reality.”

The findings demonstrate the power of a plan, highlighting the benefit of financial planning and saving to employee health, and vice versa. In addition, the research uncovers unique insights into what it takes for employees to feel on track for the financial future to which they aspire.

But for the employer looking to support employee health, wellbeing and experience in the workplace, there’s a caveat: there’s no one-size-fits-all solution. A personalised approach is vital when it comes to engaging people with financial and life planning.

In the Age of Ambiguity, whoever we are, the future will always be uncertain – financially, physically and mentally. But by taking account of our personality differences, we can all prepare for that uncertainty and improve our resilience.

Our report, **Evolving in the Age of Ambiguity**, details practical, personalised strategies to help employees stay on track for a healthier financial future and equip themselves to thrive through this Age of Ambiguity.

Emma Douglas

Director of Workplace Savings & Retirement

Introduction

At Aviva, we've been reporting on the Age of Ambiguity and the world of work since before the pandemic. We've gathered real-time data during unprecedented times on the impact uncertainty has had on how people work, feel, think and plan, as well as on the significant influence of personality. We continue to explore the changing workplace and how employers can prepare for new and existing challenges in uncertain times in [Evolving in the Age of Ambiguity](#).

In the latest of our three studies between February 2020 and March 2021, we found that the pandemic has been a period of reflection for many people. For example:

more than
2 in 3
employees now **want flexible working** to play a bigger part in their future career choices

while
64%
think **complete flexibility of working hours** would make them more productive.

However, as work slowly settles back into something like business as usual, things are changing again as businesses adapt to balance the needs of their organisations and employees.

Our previous research also discovered that:



In this report, we look at:

- how employees imagine their future health and wellbeing in the [Age of Ambiguity](#)
- how their current experiences affect these aspirations, and
- whether they feel financially on track to meet them
- how personality type influences the way employees' see their futures.

Emerging themes

Being on track for the future you want

This study has uncovered a set of **personal characteristics** that can predict whether an employee is likely to feel 'on track' for the financial future they want. We explore that and provide practical tools for using these insights.



The benefits of saving behaviours

New analysis uncovers the influence of **saving behaviours** and reveals that a positive approach to saving generates a raft of benefits to all types of health and wellbeing – as well as to employees' feelings about their jobs and careers – helping to keep them financially on track.



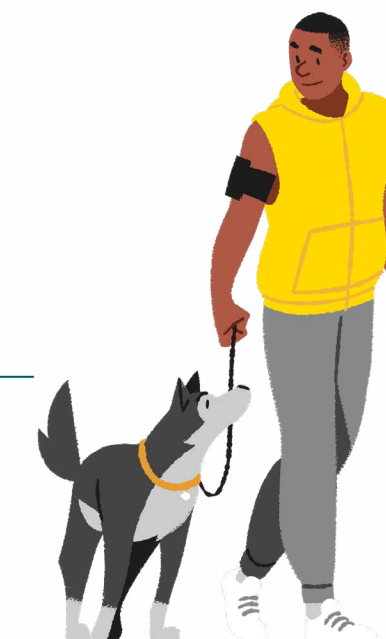
The wellbeing circle

Working to improve **mental, physical or financial health** creates a virtuous 'wellbeing circle' that enhances every element of overall wellbeing. So, if someone is feeling financially off track but is unsure how to address it directly, by nurturing another area of health, they could reap rewards for their financial health too.



Personality and feeling on track for the future

Many people would expect organised and conscientious planners to be the best prepared for future financial uncertainty. But our research shows that **confidence and emotional stability** are the personality characteristics that really predict feeling financially on track. Sound financial knowledge supports this perception.



Personality types

As we outlined in our previous reports **Embracing the Age of Ambiguity** and **Thriving in the Age of Ambiguity**, personality type has a huge influence on behaviour, mindset and personal outcomes. Those employees who cope better with financial and mental wellbeing tend to be more emotionally resilient, optimistic and conscientious, but given the right, personalised support, anyone can build resilience.

We worked with the wellbeing specialists and business psychologists at Robertson Cooper to create **four, evidence-based personality types:**

**Spontaneous
Survivors**

**Apprehensive
Achievers**

**Resilient
Completers**

**Impulsive
Worriers**

Click each
for more

An understanding of what drives personality type is essential if employers are to create strategies that help their people stay on track in the **Age of Ambiguity**.

Keeping financially on track

Most people have a vision for what they want from the future, be it a certain lifestyle, a home, travel or a particular retirement date. How they feel about that vision – whether it's seemingly within reach or just a distant dream – significantly affects their day-to-day state of mind and experience.



We found that

57% of people feel financially on track to live the kind of life they want in the future.

That means that **43% do not**, and the mindsets of many employees are being negatively affected by insufficient financial certainty about the future.

This report highlights the importance of financial knowledge, looks into employees' relationships with the idea of saving and explores the positive influence employers can have on helping their employees to feel on track.

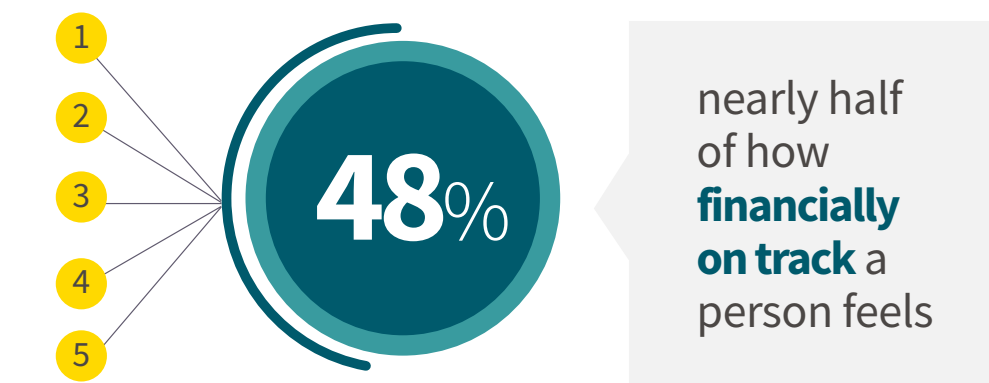


What does it take to feel financially on track?

The research clearly shows that employees are much more likely to feel financially on track if they:

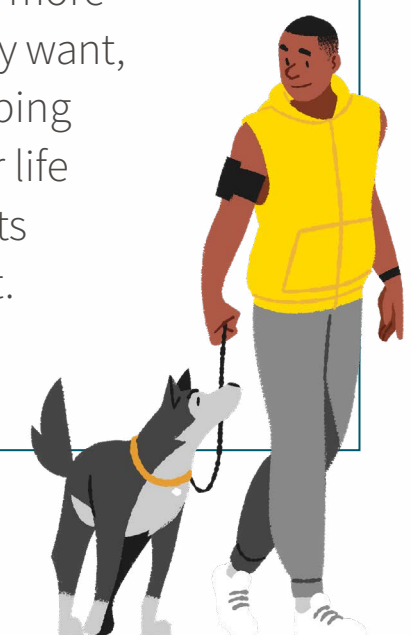
- 1 Feel they have **good physical wellbeing**: are healthy and energised
- 2 Feel **confident about their ability to support themselves**: are positive in their personal and financial outlook
- 3 Are **well prepared for unexpected events**: are equipped mentally and financially
- 4 Find ways to make sure **managing finance is stress-free**: handle finances in a calm and considered manner
- 5 Make sure their current **financial situation doesn't adversely affect their mental health**: understand this key relationship

In fact, the influence of **these five aspects** on a person's life is so strong that they predict



So, someone who rates positively in all these areas is likely to feel financially fit for the future. For someone who rates negatively, the opposite is probably true.

That finding matters because it presents a clear set of targets. If employees want to feel more on track for the future they want, they can work on developing these five aspects of their life and know that their efforts **will** lead to improvement.



The personality effect

While we know a significant minority of people don't feel on track – and we understand what drives that feeling – there isn't a single, universal intervention that puts everyone on the path to their ideal future. As our [previous Age of Ambiguity reports](#) have shown, there are some big differences between the needs of the four personality types we typically use to understand the role of personality.

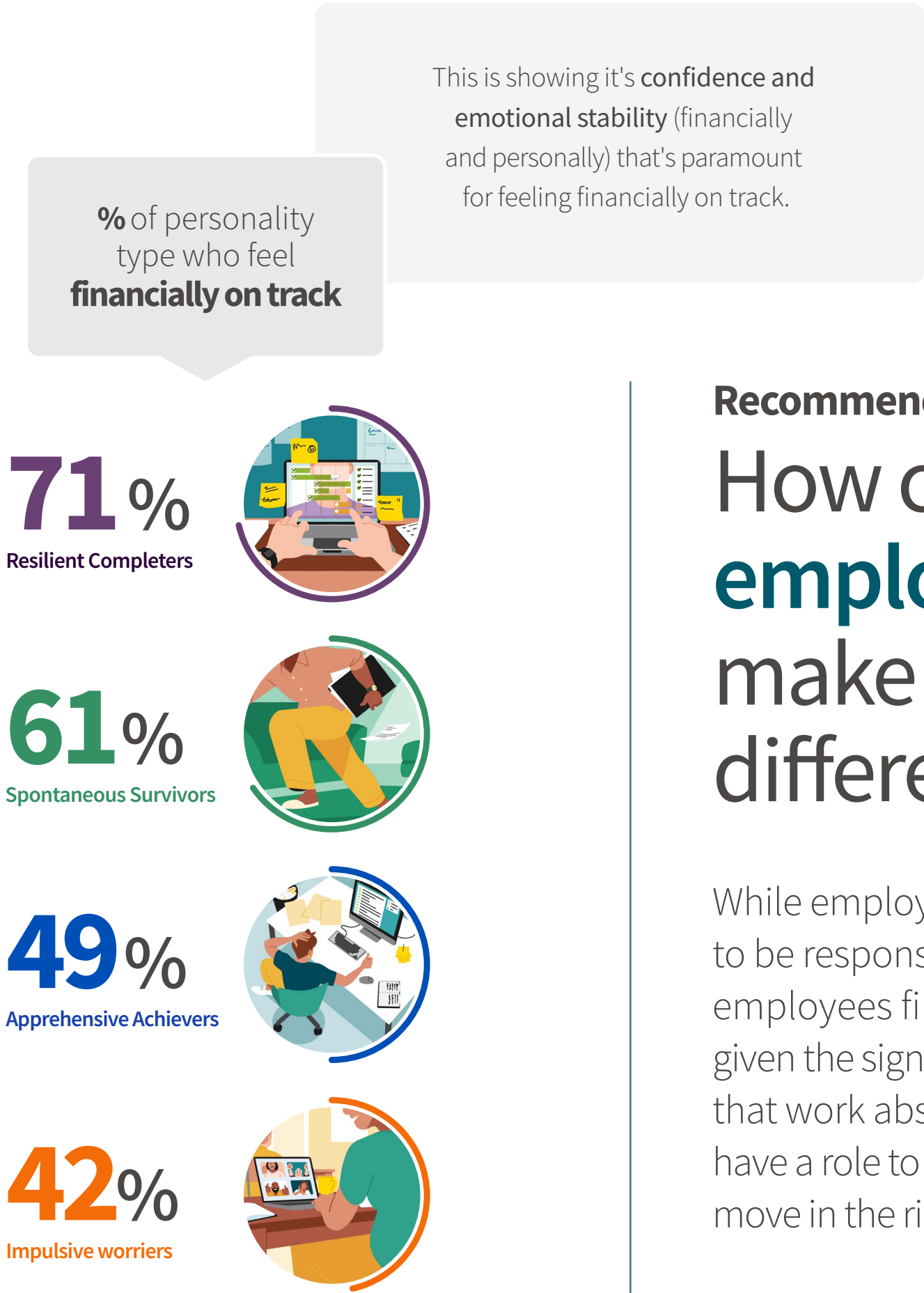
While all personality types do, in fact, strongly agree that it's their responsibility to feel financially on track, there's still a role employers can play. This is particularly the case around providing personalised access to sound financial knowledge because greater confidence in money matters helps improve employees' financial and mental wellbeing. This research – and a raft of other studies – show employers the benefits of investing in employee health and wellbeing, so there is a clear business case driving action in this area.

There isn't a one-size-fits-all solution to providing this information.



the two personalities with the **highest levels of emotional stability** say they feel significantly **more financially on track** than the other two personality types.

Many people might think that organised and proactive planners – those considered highly conscientious – are likely to be the most comfortable with how they feel about their financial futures. In fact, confidence and emotional stability are the key personality characteristics that most enable people to confront an ambiguous future with optimism.



Recommendations:

How can employers make a difference?

While employers are not expected to be responsible for keeping their employees financially on track, given the significant time and focus that work absorbs in daily life, they have a role to play in helping people move in the right direction.

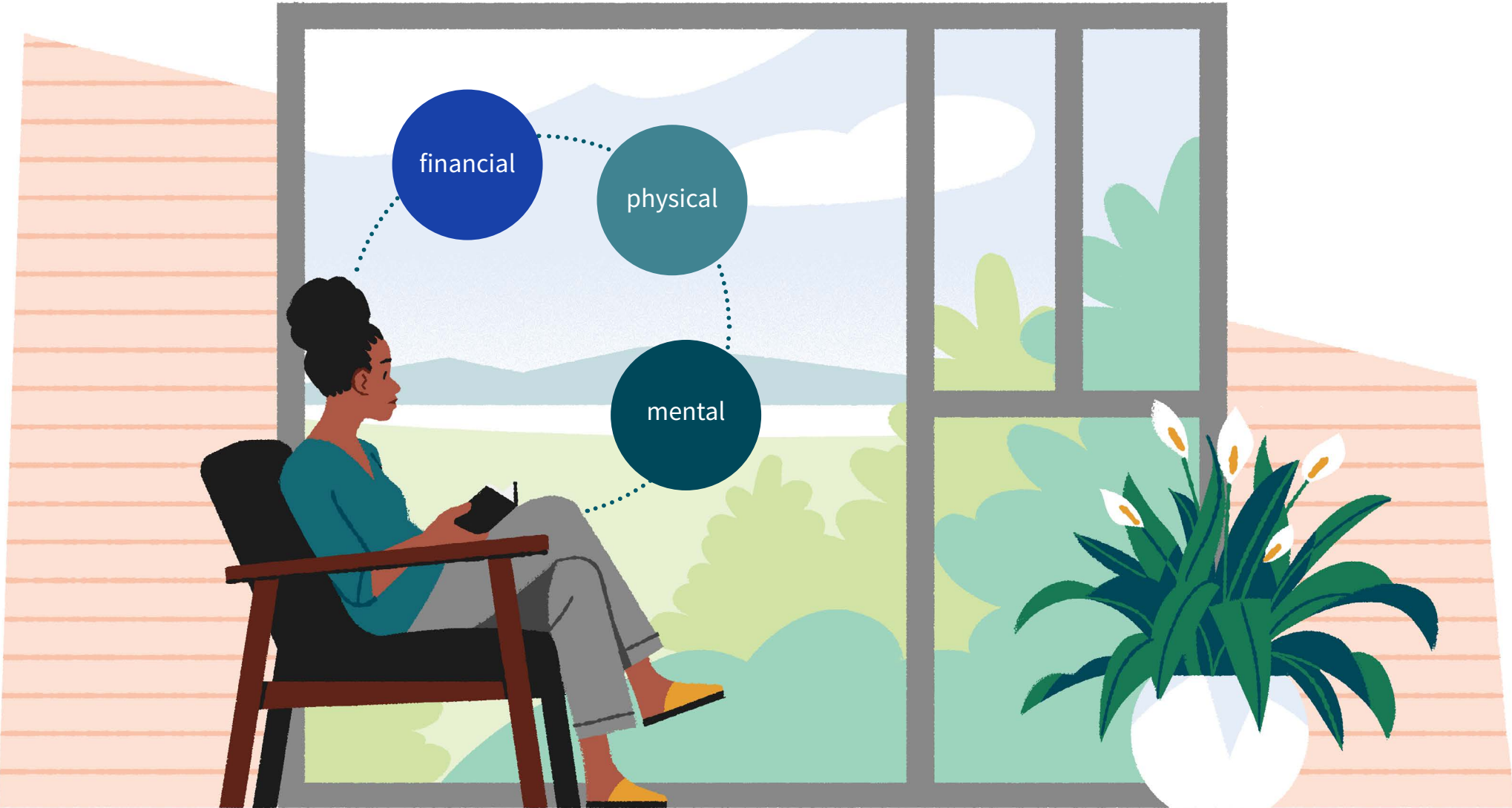
Feeling on track boosts overall health and wellbeing

A person's vision for their financial future doesn't exist in a vacuum: how they feel about their financial situation affects them in other ways too. In fact, we've found that by taking the time to develop financial health and stay on track, there are opportunities to spark improvements in health and wellbeing more holistically too.



The wellbeing circle

Our research shows there’s a circular relationship between mental, physical and financial health with each influencing the other. **Physical and mental health scores help determine financial health scores, mental and financial health inform physical health and financial and physical health contribute to mental health. We call this the wellbeing circle.**



Roll over each circle

The rest is predicted by factors such as their life situation, personality, and demographic characteristic like age, gender socio-economic status.

So, if someone works on improving one aspect of their health and wellbeing, they’re actually working to improve all aspects of their health and wellbeing. They can make positive gains by pursuing any wellbeing improvement that they’re most likely to succeed in and gain confidence from. In turn, this will be their entry point towards a better sense of being on track.

Most employees, regardless of personality type, report that they are managing physical health most effectively compared with mental and financial health. Generally, when people feel physically unhealthy, there are established choices available to them, such as changing their diet, exercise and sleep, or visiting a doctor or hospital.

These pathways are less clear cut with the equally important areas of mental and financial wellbeing, and our results showed that:

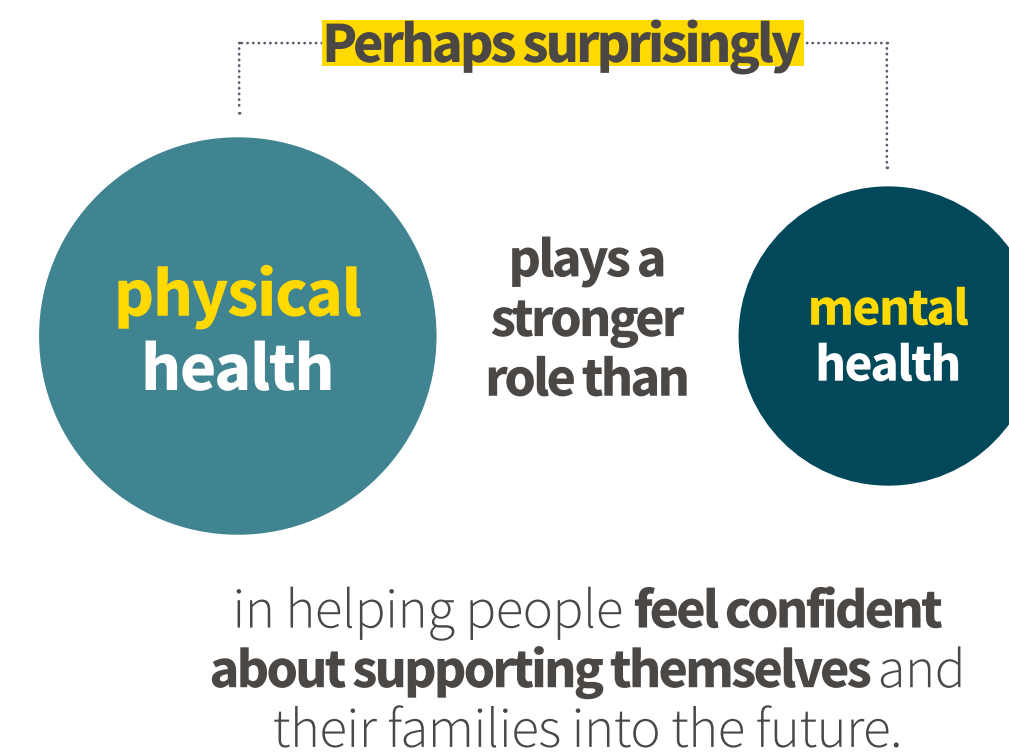
3 out of 4 personality types consider financial wellbeing to be the toughest element to manage.

The power of physical health

While physical, mental and financial health are inextricably linked to each other, each has a differing degree of influence on specific aspects of people's wellbeing. For example, despite the increased focus from the government and businesses on the importance of mental health, it turns out that physical health is also highly influential when it comes to helping people feel on track.

Perhaps it always was, but it's something that's been increasingly overlooked in recent times.

Physical health affects a person's sense of how much their financial situation impacts their mental health, how fully prepared they are for unexpected events, and, crucially, how financially on track they feel for a desired future.



Each of these relationships is two-way, so while good physical health can make people feel more financially on track, financial planning also aids feelings of physical wellbeing. It's a self-reinforcing cycle of positivity if developed, but that also suggests it can potentially have negative consequences if not.

In the Age of Ambiguity, people live fast-paced lives with a web of commitments to uphold, both in and out of work. Physical energy is a pre-requisite for everybody for making sure they keep up. Therefore, it stands to reason that those people with greater energy have more resources to devote to planning for the future.

These findings are a reminder of the importance of physical health for both its own sake and what it enables.

Imagine two people:

Person A has a regular exercise routine, a balanced diet, gets lots of sleep and always seems full of energy.

Person B struggles to find time to exercise, doesn't always get enough sleep and consequently always seems tired and lethargic.

Click each person below for more

The role of mental health

Our data shows that the more a person’s current financial situation impacts their mental health, the less prepared that person is for unexpected events.



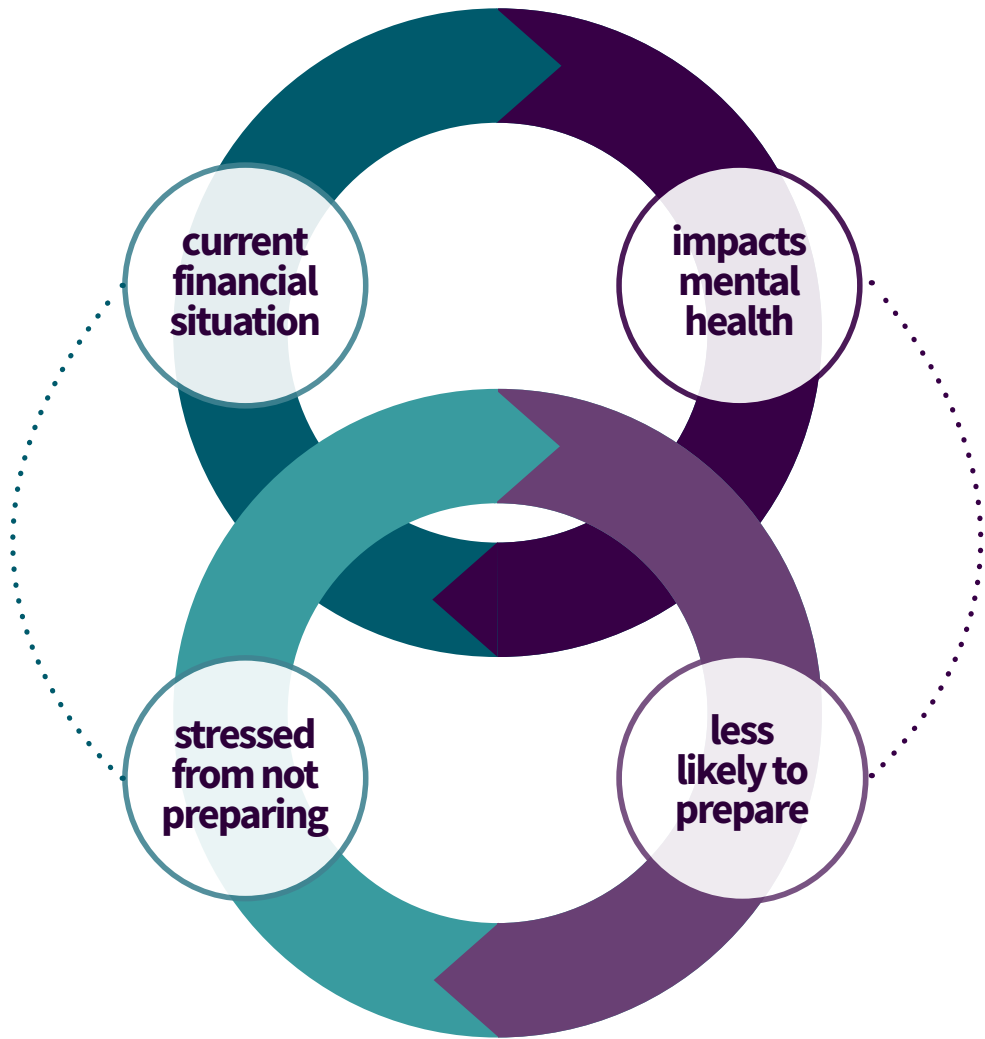
This underlines the value of looking after wellbeing in all its guises **now**, because, by doing so, employees are helping themselves to stay on course.

In other words

a person’s investment in **mental health today...** ...could also be an investment in their **financial future.**

At the same time, how prepared a person is for unexpected events predicts how much they feel their financial situation is impacting their mental health. That means there’s a risk of becoming trapped in a cycle. If someone is mentally stressed by their financial situation, they may not prepare so well for the future which, in turn, may create more stress.

This potential to create descending spirals of mental and financial wellbeing that take people off track is underlined by further data:



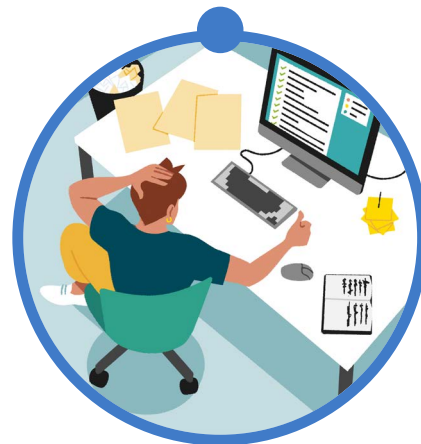
The personality effect

We can see the impact of personality on keeping people on track both now and in the future.

**Impulsive
Worriers**



**Apprehensive
Achievers**



&

feel significantly
more strain on their current finances
than the other personality types
with higher emotional stability.



The same applies when it comes
to future financial outlook, with

**Resilient
Completers**

much more likely to imagine
a positive outlook.

**Looking ahead, those with
greater emotional stability
may be better placed to
handle the Age of Ambiguity.**

But all is not lost for those with naturally lower
levels of emotional stability. With the right support,
they could close the gap. For example, in a work
environment, a supportive leader coupled with
personal development focused on building
resilience could lead to significant improvements.

Recommendations:

**How can
employers
make a
difference?**

Our findings imply that
employers can support
employees in any one
of the three areas
of wellbeing we've
highlighted here.

Savings as a guiderail for staying on track

In a fast-changing world where economic conditions feel increasingly unpredictable and working, living and spending patterns are having to adapt to reflect this ongoing ambiguity, there can be a sense of unease about the challenges ahead.

In the midst of that uncertainty, our research shows that good 'saving behaviours' can help keep people on track for the future they want, empowering them to take control of their careers and underpinning their wider health and wellbeing.

“

The pay-off from **practicing good saving behaviours** extends well beyond a number on a bank statement and being able to afford what you want now and in the future.

Our research shows people's underlying sense of security and wellbeing – physical and mental, at work and at home – can be fundamentally impacted by the act of saving, with potential benefits in almost every aspect of day-to-day life.

”

Laura Stewart-Smith
Head of Workplace Savings & Retirement



What difference can saving behaviours make?

We looked at **five statements** that, taken together, define a person's saving behaviours:

!

“ **My finances control my life**

I have money left over at the end of the month

I’m just getting by financially

I’m concerned that the money I have or will save won’t last

Because of my money situation, I feel like I’ll never have the things I want in life ”

Of those surveyed

just 35%

consider themselves to practise **good saving behaviours**

Personality seems to be a major factor here, with:

Resilient Completers

who are high in both emotional stability and conscientiousness – reporting the **strongest saving behaviours**

50%

scoring best across the saving behaviour statements.

That’s significantly more than the next strongest types (Spontaneous Survivors, 31%) and more than double Impulsive Worriers (24%).

% that consider themselves to **practice good saving behaviours**

50%

Resilient Completers

31%

Spontaneous Survivors

30%

Apprehensive Achievers

24%

Impulsive worriers

Saving behaviours can be important because they offer people a certain amount of protection now and in the future.

The research findings show clear, strong relationships between saving behaviours and ‘current financial health strain’ – the stronger the saving behaviours, the lower strain. Likewise, we found robust associations between saving behaviours and ‘future financial health outlook’, meaning that the stronger the saving behaviours, the more positive the outlook. So, saving behaviours seem to play a genuinely valuable role.

Our research also finds that **good saving behaviours** play a significant role in making sure that a person’s current financial situation doesn’t impact their physical or mental health.

These strong relationships show that when good saving behaviours are in place, they can mitigate the negative effect of poor finances on mental and physical health. They act almost as an extra layer of protection for people when their finances aren’t at their best.

So, in an Age of Ambiguity, fostering good saving behaviours is a simple, practical and powerful way to help people be mentally, financially and physically on track for the future they want. That’s not to suggest that saving is easy, only that it’s a clear lever to pull to promote positive and tangible change – one that employers may wish to consider when they think about their employee support packages.

Beyond the financial benefits and overall improvements to health and wellbeing, good saving behaviours also positively influence a host of other work-related outcomes.



These relationships demonstrate that saving behaviours can play a valuable role in helping to keep people feeling good and on track for the future they want.

So saving behaviours are not only good for wellbeing and financial preparedness, they empower people in their careers as well.

Click each person below for more

It’s another self-supporting circle: better saving leads to better career progression, more job enjoyment and so on. Saving provides a source of confidence for employees because, regardless of income and wealth, if they feel they’ve kept something back for a rainy day, it translates into a sense of security and stability – of feeling better about things beyond the monetary. They’ve also proved to themselves that if they need to save in the future they can, and that doing so will be worthwhile. And of course, it’s a two-way street – those people with greater security and stability in their jobs tend to exhibit better saving behaviours too.

Recommendations:
How can employers make a difference?



Preparing for the financial future can be good for wellbeing

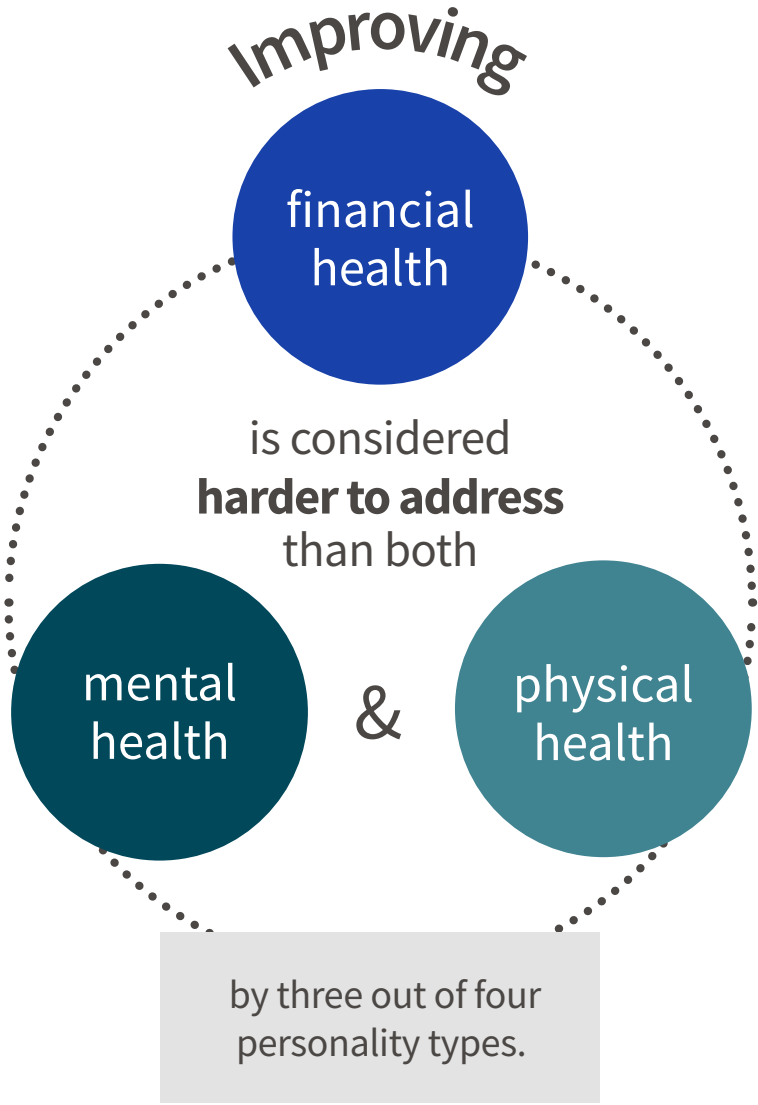
The impact of financial preparedness reaches far beyond the numbers on a bank statement. How people feel about their ability to fulfil their future goals financially affects how they feel right now: about their work, about their mental wellbeing and about their physical health.

Evolving in the Age of Ambiguity shows just how crucial being on track financially is to so much of people’s lives.

Yet our report also reveals:

that **43%** of people **don’t feel** as if their **finances are in shape** to create their desired future

And only **1 in 3** people believe they practise **good saving behaviours**.



For all those feeling as if the future they want is out of reach but who find it difficult to get started with or maintain their financial health, there’s **good news**. The wellbeing circle suggests that by working to improve any element of their wellbeing, they can help themselves feel more on track – positive action in mental, physical or financial health drives a virtuous circle. Added to this, the power of saving – and indeed, of a plan – can bring people nearer to their future goals and have a positive effect on their overall wellbeing and even on how they feel about their jobs and careers.

In the **recommendations** buttons in each section, we provide ideas for employers to help employees stay on track and cope with uncertainty by improving saving behaviours, boosting financial knowledge and enhancing wellbeing in all its forms. However, employers may also want to consider the influence of personality and tailor any initiatives to make sure their effectiveness – one size does not fit all when it comes to support for employee health and wellbeing.

It’s not all on the employer though. We found that employees expect to take responsibility for being on track financially. However, they need the right tools and knowledge to do so, and often look to their employers for support as accelerating change is becoming normalised and uncertainty is increasingly a way of life.

In this Age of Ambiguity, employers can play a valuable role in empowering employees to improve their wellbeing, be more content, confident and resilient, and stay financially on track for the future they want.



Appendix

Methodology

In this report, we've used two data sources to establish our findings:

- around 1,100 cases from Robertson Cooper's iResilience personality questionnaire with 25 additional Age of Ambiguity questions, and
- larger surveys by Quadrangle consisting of employee-experience questions answered by 2,000 respondents.
- The Quadrangle surveys were conducted in February 2020, August 2020 and March 2021, while the Robertson Cooper data was collected during summer 2021.

The datasets were collected from different populations and are used uniquely throughout this report. The outputs have not been mixed to draw conclusions and each data set is analysed separately.

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AWARDS 2021

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Thought-Leadership Award

We're delighted to have won the **Thought Leadership Award** at the European Pensions Awards 2021 for our Age of Ambiguity research.

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