

# **The Future Of Work Is**

## **Employee Well-Being**

As remote working blurs the line between work and life, HR leaders are prioritizing employee well-being and mental health. This focus on nurturing employee well-being is critical to developing workplace resilience.

The Future Workplace 2021 HR Sentiment survey found that 68% of senior HR leaders (of which 40% were CHROs) rated employee well-being and mental health as a top priority. It's no wonder this is a priority for HR leaders as the corporate well-being market is now estimated to be \$20.4 Billion in the U.S. and is forecasted to grow to \$87.4 Billion by 2026.

In our recent Future Workplace Virtual Summit attended by senior leaders in HR, Talent, and Corporate Learning, we polled leaders on what their organization has done to focus on employee well-being. We learned that nearly 70% of our members are offering workplace flexibility. Nearly half are supplementing this with expanded well-being benefits such as free

online counseling sessions, or training leaders on empathic leadership, and a third are funding corporate subscriptions for online counseling and meditation apps. The range of corporate well-being solution providers is quickly growing and includes these ten leading companies like Lyra Health, Motivosity, Limeade, Premise Health, VirginPulse, League, SecureSave, Springhealth, meQuilibrium, and Thriveglobal to name a few.

Today, employee well-being has expanded beyond physical well-being to focus on building a culture of holistic well-being including physical, emotional, financial, social, career, community, and purpose. At the heart of this is the growing need for flexibility in where, when, and how employees work. Future Workplace has identified seven pillars of employee well-being to guide leaders as they prioritize the well-being of their workers.

## Seven Pillars of Holistic Employee Well-being

### Pillar 1: Physical Well-being

Think back to 2015 when a growing number of corporations made physical wellness a priority and created a host of corporate activity challenges at work. Today, physical wellness encompasses many aspects including

exercise, sleep, overall lifestyle, and food choices. Forward looking companies are focusing on communicating the importance of daily habits to enhance one's physical well-being. PwC's Be Well, Work Well Habit Bank identifies a range of habits to improve one's physical well-being from standing up for short meetings, to getting more sleep, and tracking what and when you eat. Expect to see more proactive ways companies are assisting workers to develop their physical well-being.

## Pillar 2: Career Well-being

The pandemic has led a growing number of workers to re-evaluate their career goals. The Prudential Pulse of the American Worker Survey finds a quarter of workers still plan to look for a new job once the pandemic is over and 48% are re-thinking the job they want moving forward. What's driving this talent migration is the need to continue working remotely, look for a better compensation plan, and improve work/ life balance. For employers, this is translating into a range of talent policies to retain workers and these include; increased compensation, enhanced learning & development programs, new internal talent mobility opportunities, and online coaching and resilience training to help employees deal with massive disruptions and new ways of working.

### Pillar 3: Financial Well-being

The PwC 2021 Employee Financial Well-being Survey found finances to be the top cause of employee stress above their job, their health, and their relationships combined. Nearly two-thirds of a sample of 1,600 full time employees say their financial stress has increased since the start of the pandemic. Employees whose financial stress increased due to the pandemic are four times as likely to admit that their finances have been a distraction at work. They are also more likely to search for a new employer they believe cares more about their financial well-being than their current employer. As Suze Orman, Co-founder of SecureSave, says, “Thirty-seven percent of Americans cannot cover a \$400 dollar emergency. The solution for companies is to offer an emergency savings account which can be automatically deducted from a worker’s payroll and help them save for the unexpected. After all, money you don’t see is money you can’t spend.”

### Pillar 4: Social Well-being

Having meaningful friendships in both your personal and work life is one of the key predictors to long term happiness. “They can be a buffer during stressful situations. Downstream, they also impact the bottom line of an

organization in terms of absenteeism, presenteeism, quality of work, and organizational loyalty,” says Jen Fisher, co-author of Work Better Together and Chief Well-Being officer for Deloitte. Building strong communities in the workplace can also help with feelings of loneliness, which have become prevalent as the pandemic stretches on. According to the American Psychological Association's survey "Stress in America 2021," 61% of those surveyed are experiencing undesired weight changes since the pandemic started and 65% of respondents between the ages of 18-23 said they felt very lonely amid the pandemic. These stressors are impacting employees both at work and at home. Employers are taking note and creating new offerings to bring social experiences to workers as they continue to work remotely. HP has created Employee Resource Groups (ERG) for remote workers and for working parents who manage home schooling to ensure these workers connect to each other and share resources they need as they continue to navigate remote work and home schooling.

#### Pillar 5: Community Well-being

Offering employees opportunities to be involved in their local community will deepen the ties an employee has to their employer, their local community, and the planet. According to Chief Executives for Corporate

Purpose—a global coalition of multi billion-dollar companies—66% of its member firms offered paid-time-off for volunteer programs in 2019, compared with 56% in 2016. At Cisco, this spirit of community enrichment is already part of the ethos of the company, says Francine Katsoudas, Cisco EVP and Chief People, Policy and Purpose Officer. Cisco has reached over 80 percent community impact participation of its employees two years in a row, and the goal is to go even further to make impact a habit for Cisco employees. Employer sponsorship of community programs are an excellent way to engage and retain employees while improving the sustainability of the planet.

#### Pillar 6: Emotional Well-being

Even before COVID-19, supporting employee mental health was becoming a greater priority for many companies since its benefits have such a profound effect on both worker and organizational performance. The American Psychological Association's survey “Stress in America 2021” reports people are experiencing their highest levels of stress since the beginning of the pandemic, showing a lot of stress-related symptoms such as changes in sleep, and increased alcohol consumption. One in five surveyed workers say their mental health is worse than it was this time last

year. Even before the pandemic, Gartner research revealed that 45% of well-being budget increases were being allocated to mental and emotional well-being programs. “The past year I have seen mental health thrust into the spotlight and the conversation has expanded from HR benefits leaders to the boardroom,” said Dr. Joe Grasso, Ph.D., Senior Director of Workforce Mental Health at Lyra Health.

Companies are taking deliberate actions to de-stigmatize mental health and creating new commitments for the hybrid workplace. These commitments around well-being, inclusion, and flexibility underscore a belief that work is not where you go but what you do to deliver results. As Gianpaolo Barozzi, Senior Director of HR at Cisco says, “the pandemic has brought mental health and well-being to the forefront at Cisco. We recognize leaders will need to lead with empathy, flexibility, and an openness to what works best for each individual and team.”

#### Pillar 7: Purpose Driven Well-being

Purpose grounds organizations in a set of values and employees increasingly want to work for a company whose values match their own.

Deloitte’s 2021 Global Human Capital Trends Report shared that over the

past two years, 44% of Millennials and 49% of Gen Z said they have made choices over the type of work they are prepared to do and the organizations for which they are willing to work based on their personal ethics. And this translates into overall employee engagement. A recent Gartner survey found that when an organization acted on today's social issues, the proportion of workers who were considered highly engaged increased from 40% to 60%.

Employees' desire to work for organizations whose values align with their own will be an important criteria in selecting a new employer. As the talent marketplace continues to heat up, new hires expect their company to become actively involved and vocal about the cultural debates of the moment.

In summary, the pandemic has given employers increased visibility into the life struggles of their employees and has shifted the focus from just organizational issues to individual human life experiences. Leaders now view well-being not just as an employee benefit but as an opportunity to support employees in all aspects of their personal and work lives.

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