

# Five Essential Truths about Corporate Wellbeing Today



# Wellbeing: A Strategic Corporate Capability

Over the past decade, digital transformation exploded in every industry. At the same time, breakthroughs occurred in behavioral and social psychology and approaches to population health evolved dramatically. To meet this evolving world, the definition of wellness has expanded. As a result, new factors emerged as important: sleep and rest, meaning and purpose, relationships with others, and even positive thinking.

The events of the past few years—including the social isolation caused by the COVID-19 pandemic, the advent of hybrid work, and even the global climate crisis—have further expanded the definition of wellness. Companies now have no choice but to think about employee health and wellbeing in a new light—in fact, the entire C-suite is now focused on this topic.

In response, the best companies in the world are looking at wellbeing as a strategic corporate capability. In our recently published *The Definitive Guide to Wellbeing: The Healthy Organization*,<sup>1</sup> we reveal that companies fall into one of four levels of maturity when it comes to health and wellbeing, depending on their people, business, and work practices. Companies at Level 4, our highest level of maturity, have cultivated a global view of health. These companies continually seek to improve work, workers, and the organization.

And their efforts are paying off. Healthy organizations outperform their peers in every way, delighting customers, retaining the best talent, and unleashing innovation. Our research shows companies that leverage the right wellbeing strategies are more than twice as likely to outperform their peers financially, more than five times as likely to have lower annual healthcare claim costs, and three times better at engaging and retaining their employees.

So, what is the path to becoming—and remaining—a healthy organization? What elements of wellbeing should you focus on first? Who should own wellbeing in your company? How can you tap into the massive wellbeing tech market to achieve your strategy?

In this report, we lay out five essential truths about corporate wellbeing that can help you build a healthy organization that is resilient and ready for the future.

## 1 The best companies take a holistic approach.

While wellbeing has its roots firmly in the benefits department, it has grown into much more than just a set of fitness classes and drug plans. Today's leading companies define workforce wellbeing as a holistic constellation of social, mental, physical, and behavioral health.

For example, at Ryan, LLC, a global tax services and consulting firm, the chief people officer (CPO) has built a vision for health that encompasses four company pillars—career, physical, financial, and emotional. And IBM's wellbeing strategy includes mind, social, and financial health, as well as a core principle of purpose.

To help companies make sense of the breadth of factors that now comprise corporate wellbeing, we developed a strategic framework for healthy organizations based on our ongoing conversations with chief human resources officers (CHROs), business leaders, and heads of wellbeing at top companies around the world (see Figure 1 on following page).

Our framework includes seven main elements, each of which contributes in a different way to the overall health of the workforce and the organization:

**Physical Health** encompasses the organization's programs and offerings to promote personal health and fitness, and it includes the ways that companies select and deliver these benefits to their employees. For example, Ryan uses a digital wellbeing platform to host fitness challenges across the company, while a Fortune 500 multistate healthcare company encourages employees to proactively take care of their health by completing regular digital assessments.

**Mental Wellbeing** incorporates practices that promote positive mental health, as well as initiatives to reduce the stigma of mental health issues. Strategies range from offering

<sup>1</sup> *The Definitive Guide to Wellbeing: The Healthy Organization*, The Josh Bersin Company, 2021.

Figure 1: Healthy Organization Framework



**Technology and HR Capabilities**

Digital tools • Mobile solutions • Privacy and security • Analytics • Communication • Measurement



Source: The Josh Bersin Company, 2021

access to unlimited counseling to practicing mindfulness at work to educating managers to recognize burnout symptoms.

**Financial Fitness** focuses on pay equity and wage transparency and offers personalized financial counseling and support to employees to lower money-related stress. Practices promoting meaningful rewards and career progression are also included in this element.

**Social Health and Community Service** encompasses the “whole life” experiences of employees both inside and outside the workplace. For example, employees at Ryan use the company wellbeing platform daily to stay digitally connected and share personal stories. And a U.S. pharmaceutical company offers targeted education to its working parents who are struggling with teens with mental health challenges.

**Safe Workplace** encompasses physical and psychological safety. Rewarding safe behaviors, working with occupational therapists, honoring diversity, creating a sense of belonging, and ensuring accessibility are all covered here.

**Healthy Culture** covers the business practices that wrap around everything else. Patterns of work and heavy workloads cannot be at odds with your wellbeing strategy. To avoid this, organizations like the University of Pennsylvania Health System are building a vision for employee health and wellbeing right into their business strategy and culture.

**Technology and HR Capabilities** includes a variety of tools, offerings, and services employers can present to employees and candidates—from wearables tracking sleep and exercise patterns to personal fitness advisers, digital coaching, and online childcare services. But we found two things matter most when it comes to corporate wellbeing solutions: simplicity and transparency.

## 2 Leaders' actions matter more than you think.

Did you know that only about one-third of companies say their senior leaders and executives model healthy living habits?<sup>2</sup> And about the same amount say their leaders participate in wellbeing activities with the workforce? We were surprised, too, especially when our research clearly shows that when companies engage their senior management to embrace wellbeing, the results are extraordinary.

Companies where leaders participate in wellbeing activities are:

**4x** More likely to be recognized as a great place to work

**10x** More likely to delight their customers

Source: *The Josh Bersin Company, 2021*

When it comes to a healthy organization, leadership behaviors and actions have an outsize impact on nearly every performance outcome. For example, companies whose leaders participate in wellbeing activities are four times more likely to delight their customers and ten times more likely to be recognized as a great place to work than their peers who don't do this well or consistently.<sup>3</sup>

What's behind this? Ginny Kissling, Global President and Chief Operating Officer (COO) of Ryan, believes that authenticity and approachability is at play. She shared how hundreds of workers tuned in to a fitness challenge she participated in with the chief executive officer (CEO), cheering them on and building a sense of healthy competition among leaders who may have otherwise felt "unreachable."

Denise Mariotti, CHRO of the University of Pennsylvania Health System, agrees. She also notes that tapping into trusted voices—formal and informal leaders alike—across the organization can make a difference. At the Hospital of the University of Pennsylvania, this meant drawing together people from across the organization to host classes, education, and coaching in their areas of expertise, which employees continue to flock to.

## 3 Wellbeing requires active listening and meaningful action.

Workforce wellbeing is not a once-and-done endeavor that comes from the top of the organization. On the contrary, our research shows this type of approach can have an adverse effect on key outcomes. When companies approach wellbeing as simply a set of benefits and offerings, they are 90% less likely to be considered a great place to work and 76% less likely to exceed financial targets.<sup>4</sup>

To truly understand the changing needs of the workforce and develop trust, companies need to engage in active listening and take meaningful action. When companies listen to the workforce and act appropriately on that input, organizations are more profitable, have better client outcomes, and create a sense of inclusion.<sup>5</sup>

<sup>3</sup> *The Definitive Guide to Wellbeing: The Healthy Organization*, The Josh Bersin Company, 2021.

<sup>4</sup> *Ibid.*

<sup>5</sup> *The Definitive Guide: Employee Experience*, The Josh Bersin Company, 2021.

<sup>2</sup> *The Definitive Guide to Wellbeing: The Healthy Organization*, The Josh Bersin Company, 2021.

**Figure 2: Potential Sources of Wellbeing Intelligence**

DIRECT SIGNALS	INDIRECT SIGNALS	OBSERVED BEHAVIORS
<ul style="list-style-type: none"> <li>• Annual and pulse surveys</li> <li>• Polls</li> <li>• Digital health platform engagement numbers</li> <li>• Wellbeing scores</li> <li>• Online conversations</li> <li>• Wearables</li> <li>• Biometrics</li> </ul>	<ul style="list-style-type: none"> <li>• Performance reviews</li> <li>• Support tickets</li> <li>• Meeting records</li> <li>• 360 feedback</li> <li>• Absenteeism rates</li> <li>• Chatbot transcripts</li> <li>• Time-off patterns</li> <li>• Aggregate EAP interactions</li> </ul>	<ul style="list-style-type: none"> <li>• Meeting attendance</li> <li>• Volunteer activities</li> <li>• Internal recognition and rewards</li> </ul>

Source: *The Josh Bersin Company, 2021*

This is true for wellbeing, too. Companies that monitor the financial health of their people, for example, or gather input on the types of rewards that are most meaningful see higher levels of innovation than companies that don't. As a global wellbeing leader put it, "It's critical to base our actions, our resources, our messages, on what our employees need and what is top of mind for them."

Listening can take many forms when it comes to wellbeing (see Figure 2). Survey tools inside a digital wellbeing platform are an easy way to quickly assess how the workforce is receiving the latest program or offering and what care and support they need the most. Engagement with benefits is only one aspect of listening, however. It's also important to understand the health of your people—are signs of burnout showing up in a particular area of the company? Have your employees increased their employee assistance program (EAP) interactions? What is the current level of health across your company?

Armed with the data gleaned through employee listening, it's imperative to adjust and improve according to what you hear. Tony Bridwell, CHRO of Ryan, leverages the continuous insights that come out of the company's wellbeing platform, for instance, to target areas that need extra support, such as when the company recently launched extra financial education and training for various internal populations based on employee contributions to 401(k) plans.

## 4 Wellbeing isn't just HR's job anymore.

Wellbeing is a considerable undertaking for organizations, one that accounts for approximately 30% of a company's payroll.<sup>6</sup> One of the biggest—and most important—shifts we see in the corporate wellbeing space is the move away from the benefits department and into the boardroom and the business. According to our research, 70% of companies now distribute ownership and accountability for health and wellbeing into the business to some extent, with nearly half of these companies doing so consistently.

What does this mean for HR? It means their job is no longer to direct and control wellbeing from inside the function, but rather to work to embed wellbeing into an organization's culture. This requires a coalition mindset—one that encourages a top-down, bottom-up, and corner-to-corner approach.

### Start from the Top

As we explained in Truth #2, it's crucial for leaders to collectively support and model healthy habits. However, there's more to it than just participating in step challenges. Leading companies make wellbeing an essential part of their business strategy. Bridwell advises that it's important not to get lost building a separate wellbeing culture. Instead, work to unlock wellbeing in your existing culture.

<sup>6</sup> "Economic News Release, Table 2. Employer costs for employee compensation for civilian workers by occupational and industry group," U.S. Bureau of Labor Statistics, June 2021.

These key practices can help knit employee health and wellbeing into your organizational culture:

- Cocreate and communicate your company's global health strategy globally.
- Establish a cross-functional enterprisewide wellbeing center of excellence.
- Commit to partnerships with supply chain vendors that share your vision for sustainability and health.
- Facilitate ongoing conversations about health between leaders and employees.
- Track and report health and wellbeing metrics to the Board and the market.

### Encourage a Groundswell

It's also important to make sure wellbeing can come to life in every corner of your organization. This means bringing wellbeing forward to regionally distinct sites, to varied lines of business, to managers leading teams, and to the frontline employees themselves, in ways that are most relevant to them.

Doing this can be challenging. We found that only 15% of businesses are currently cultivating health at the local level. Those who are leading the way—organizations like Unilever and Roche Genentech—have started by establishing networks of local health champions. For example, one Fortune 500 multistate healthcare company brings together a passionate group of more than 100 employees and managers from all parts of the organization. On a monthly basis, they discuss which wellbeing practices are working or not working in their respective departments or among groups of employees, provide input on what's needed next, and take new messaging and content back to the organization.

Following are strategies that leading companies are employing to foster wellbeing locally:

- Build on existing networks—or establish new ones—to create trusted wellbeing champions that can reach every corner of the company.
- Establish an employee wellbeing committee that includes a representative sample of the workforce.
- Engage in dialogue with the workforce on topics of personal wellbeing.

- Train managers on how to have personal conversations with their teams.
- Give employees tools to keep themselves healthy, like personalized checklists for use with primary care physicians.
- Cocreate wellbeing offerings with employees to ensure you are providing the most relevant supports and benefits.

## 5 Technology makes wellbeing personal.

Personalized experiences are at the heart of nearly every aspect of our lives—from how we shop to how we learn to how we work. Corporate wellbeing is not immune to this trend. Personalization is a prime objective when it comes to the health and wellbeing benefits it offers the workforce. Do you have the right balance of programs, education, and support for your employees? What about their families? Do your employees in Canada have different demands from those in Australia? Are the caregivers, millennials, or hourly workers in your workforce getting the specialized support they may need?

As with any undertaking to personalize at scale, technology can help. In fact, the overall corporate wellbeing market was estimated to be worth \$61 billion in 2020.<sup>7</sup> There are solutions for physical fitness and mental health, financial care and fulfillment, and better community connections in the workplace. Indeed, it's not uncommon for companies to have 50 or more point solutions just in the wellbeing space.

As a result, employees are finding themselves bombarded with more wellbeing offerings than they can make sense of. And on the flipside, with benefits expenditure a massive part of total compensation, HR leaders are under mounting pressure to get it right.

Today, wellbeing platform providers are creating a seamless employee experience, using artificial intelligence to stitch together any number of specific solutions for the workforce in a highly personalized app or desktop experience—effectively creating a one-stop shop that is curated for each employee.

Limeade is a good example of this—it's an immersive wellbeing company that brings together all the pieces and makes it easy for employees to engage with the services and tools they need most. Nicole Baker, Ryan's global head of benefits,

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<sup>7</sup> *The Definitive Guide to Wellbeing: The Healthy Organization*, The Josh Bersin Company, 2021.

reinforced the importance of personalization. She noted that wellbeing content must be customized for each employee for it to be used effectively and repeatedly: “It’s got to be dynamic to the person, so everyone gets a personalized experience.”

## Conclusion

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Companies spend a lot of money on employee health and wellbeing, and this investment has only increased since the global pandemic hit in early 2020. Despite this, many are still acting as “healthcentric” rather than healthy organizations. Operating in the dark is common when it comes to the health of people, workplaces, and organizations. Some CHROs told us they have no idea if their wellbeing offerings are making a difference in the lives of their employees, others acknowledged many programs go unused, and some even said the programs are losing them talent.

The opportunity to change course has never been more important. Now is the time for organizations to step up and care for their employees in ways that are mutually beneficial.

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Leading organizations have made great strides in elevating wellbeing into a corporate capability. Let’s look at the stories of two companies—Ryan, LLC, and a Fortune 500 multistate healthcare company—in more detail.

## Ryan, LLC, Embeds Holistic Wellbeing into the Company Culture

Ryan, LLC, is a tax services and consulting firm based in Dallas, Texas, serving more than 16,000 corporate clients around the world. The company employs approximately 3,000 people across its 70+ locations. Founded in 1991, Ryan has consistently earned recognition as a great place to work because of its flexibility and diversity, landing repeatedly on *FORTUNE*'s 100 Best Companies to Work For list.

Ryan's CHRO Tony Bridwell attributes much of this success to the focus the company has put on elevating and communicating employee care over the past five years. "Ryan has always had an incredible benefits program. But in 2017, when we started looking at all our various components and offerings, we realized they were disparate and disconnected," he says. "We needed to have a single focused dialog around wellbeing."

Bridwell and his team set out to redefine wellbeing at Ryan, expanding their strategy to include four pillars—career, physical health, financial health, and mental wellbeing. Partnering with Limeade gave the HR team a digital platform to bring all the pieces together and make it easy for employees to engage with the services and tools they need most.

"Part of the beauty of the myRyan platform is that it customizes content based on the individual's wellbeing assessment," says Nicole Baker, Global Head of Benefits at Ryan. "It's built to be dynamic to the person, so everyone gets a personalized experience."

And since wellbeing is not a once-and-done project, Ryan leverages the continuous insights that come out of the

program to target areas in the company that may need extra support. For example, when the company noticed that large segments of its new graduate hires were not participating in the 401(k) program in the United States last fall, they took immediate action to provide financial education. "We're constantly talking to our people, and we have ongoing feedback loops to gather intelligence about what's going on so we can respond," says Baker.

The data the company gleans from the platform has been critical in opening conversations with its people leaders. The senior leadership team has not only embraced the insights (many team members reach out directly to the CHRO to ask for supports for their units), but it has also been one of the biggest champions of the platform.

Global President and COO Ginny Kissling uses the app to stay connected to the global workforce—and to foster and model healthy behaviors: "I'm connected to so many of our people on myRyan. And we have a great sense of healthy competition now in the company. I recently participated in a fitness challenge with my team, and then the CEO got involved, and he shared the results at a town hall."

Today, Ryan continues to embed health and wellbeing into its organizational culture.

“*We didn't want to make this separate, an afterthought. Instead, we wanted to unlock wellbeing in our own Ryan culture, and that's what we're most proud of.*”

Ginny Kissling  
Global President and COO, Ryan, LLC

## A Fortune 500 Multistate Healthcare Company Empowers Workers to Be Healthy and Happy

A Fortune 500 multistate healthcare organization with more than 10,000 employees across 20 states provides health insurance to financially vulnerable families and individuals through government programs such as Medicaid and Medicare. The leadership firmly believes they need to prioritize helping employees enhance their own wellbeing before they can advance the company's mission of helping others.

In 2019, the healthcare company launched a wellbeing strategy focused on enabling and empowering workers to be healthy and happy. The strategy looks at wellbeing beyond the realm of healthcare benefits and encompasses all facets of wellbeing, including financial health, mental health, and psychological safety. As part of the program, the organization took an “employees as customers” approach and rolled out pretty much all services they offer to customers to its employees.

“When the pandemic struck, most organizations were struggling to figure out how to keep their employee base connected. Having started on this wellbeing journey in 2019, prior to the pandemic, put us light-years ahead of everybody else and helped us manage the pandemic effectively while keeping our employees together and connected via the program's social channel,” says the company's director of diversity, equity, and inclusion.

The company's wellbeing strategy is powered by Limeade, a digital wellbeing and engagement platform. The company uses the solution to provide a social hub that houses wellbeing resources and to foster inclusion across the company. For example, the app acts as a social channel that houses several health and wellbeing resources as well as activities that support all aspects of health. These activities are tied to points that incentivize users to participate.

The healthcare company also uses the platform to cultivate inclusion and belonging and to assess and

mitigate risk. Company leaders focus on identifying gaps, determining how to address them, and educating the workforce on how to honor diversity. They deploy surveys through the app to get a pulse of the current state, and then follow up with specific groups to understand and address gaps. For instance, they recently hosted a virtual tour of the Smithsonian exhibits on African American culture. In an assessment following the tour, 78% of participants said they learned something new that they didn't know before.

The company's holistic wellbeing strategy and related initiatives are backed by leadership from the top down. And from the ground up, the company engages a group of approximately 120 champions—volunteers from across the organization—who help drive day-to-day engagement with the platform and wellbeing offerings.

“On one side, we have an incredible leadership team that is constantly talking about wellbeing and backing activities and programs,” says the company's wellbeing administrator. “And then day to day, impact comes from our champions. They're out in the organizations sharing activities during their weekly team meetings, and getting people excited about their health and wellbeing.”

Since the launch of the platform in 2019, the healthcare company has seen high levels of employee engagement and participation, with more than 80,000 logins so far. Nearly two-thirds of the company have registered on the platform, and the number of people who have taken assessments and completed learning modules continues to increase each year.

“ *If we can help even one person have a better life, that would be a huge impact.* ”  
CEO  
Fortune 500 Multistate Healthcare Company

## About Josh Bersin



*Josh founded Bersin & Associates in 2001 to provide research and advisory services focused on corporate learning. He expanded the company's coverage to encompass HR, talent management, talent acquisition, and leadership and became a recognized expert in the talent market. Josh sold the company to Deloitte in 2012 and was a partner in Bersin by Deloitte up until 2018.*

*In 2019, Josh founded the Josh Bersin Academy, a professional development academy that has become the "home for HR." In 2020, he put together a team of analysts and advisors who are now working with him to support and guide HR organizations from around the world under the umbrella of The Josh Bersin Company. Recently published research covers topics such as hybrid work; HR technology market trends; employee experience; and diversity, equity, and inclusion. He is frequently featured in publications such as Forbes, Harvard Business Review, HR Executive, The Wall Street Journal, and CLO Magazine. He is a popular blogger and has more than 800,000 followers on LinkedIn.*

## About Janet Mertens



*Janet is the director of research at The Josh Bersin Company. In this role, she conducts empirical research on a variety of topics related to work and people, as well as leads the development of fact-based insights for today's HR executive. With 20 years of HR consulting experience across multiple industries, Janet most recently led the human capital research program at IBM's Institute for Business Value. She has published key studies on employee experience, the enterprise skills gap, and the emerging role of the CHRO. Janet holds degrees in computer science, education, and psychology; her current research areas include talent acquisition, workforce wellbeing, and the application of AI in HR.*