

THE FUTURE OF WORKPLACE WELLBEING

An opinion piece by Rob Stephenson, Founder of
FormScore and the InsideOut LeaderBoard





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EXECUTIVE SUMMARY



- Despite significant investment in workplace wellbeing initiatives, recent data shows that stress, burnout, and unhappiness among employees continue to worsen, indicating that current solutions are not effective. There is a mismatch between the culture of companies and their wellbeing policies.



- However, it's been proven that companies that prioritise employee wellbeing outperform the stock market index and are more successful at attracting and retaining talent.



- Measuring employee wellbeing will become crucial to assess how well a company structures work. Since work plays a critical role in determining wellbeing, it's essential to better understand the drivers of wellbeing in the workplace.



- It's time for companies to shift their focus from 'fixing people', to fixing work and operationalising wellbeing initiatives.



- Senior Leaders play a critical role in advancing the wellbeing agenda by understanding the Why and How, and Line Managers need to be equipped with the tools to implement a culture of wellbeing.



- Human sustainability must become an aspiration and commitment for all. Ultimately, wellbeing should be accepted as an overarching measure of success for companies, schools, and our societies.

THE CURRENT STATE OF WORKPLACE WELLBEING

Before taking a look at the future of wellbeing, let's take a look at where we are.

**"You can't meditate
your way out of burnout"**

We often hear slogans like this from the wellbeing industry. It is true that a lot of wellbeing solutions are sticking plasters that cannot heal the wounds inflicted by a toxic culture. However, I think that we need to be very careful when we choose to criticise the efforts of passionate humans in the workplace who are trying to make positive change in the workplace. For some, meditation or yoga is life-changing. For others, an EAP (Employee Assistance Program) is the catalyst for recovering from a mental health challenge.

A problem arises when such solutions are implemented in isolation in order to tick the "wellbeing box". They are not enough on their own. And they are certainly not enough to compensate for the need to work 12-hour days, weekends, and skip vacations.

WELLBEING MATURITY MODEL AND MOUNT EVEREST

Veteran Mental Health Campaigner, Geoff McDonald, used to talk about workplaces being in the foothills where wellbeing is concerned. I think the most forward-thinking companies have now probably reached base camp. However, they still have Mount Everest to climb to create work environments that are net positive for mental health. That's where the employees' wellbeing is as important to the company, as creating shareholder value and minimising impact on the environment.

Many organisations may have a comprehensive wellbeing solution in place and will be climbing toward base camp. Others may have just started on the trek through the foothills with the introduction of yoga, meditation, and fresh fruit. Let's celebrate those who have started the journey and inspire them to keep climbing, while also work on helping others to start their journey.

Despite these efforts, it's becoming clear that, as a collective, we are focusing on the wrong things.

CURRENT WORKPLACE WELLBEING SOLUTIONS ARE NOT WORKING

Current workplace wellbeing initiatives and benefits are not working, despite the best efforts of some fantastic professionals and advocates in the field. Sarah Cunningham, MD of the World Wellbeing Movement, talks about a “workplace wellbeing paradox”. We have seen significant investment in wellbeing in recent years, including an explosion in job roles with “wellbeing” in the job title. Yet, indicators of workplace stress, happiness, burnout, and the costs of mental ill-health to employers are all worsening. This highlights a disconnect between company culture and the wellbeing policies and benefits offered to employees.

We risk continuing the cycle of investing in employee wellbeing benefits and solutions without understanding and addressing the real drivers of wellbeing; without reducing the need for support solutions in the first place.

It's time to rethink how we approach Wellbeing in the Workplace

In many cases, the way we structure work is fundamentally detrimental to employee wellness and there is a disconnect between company culture, wellbeing policies, and benefits offered to employees

In many cases, the way we structure work is fundamentally detrimental to employee wellness and there is a disconnect between company culture, wellbeing policies, and benefits. For example, paid paternity leave has expanded significantly in recent years but the proportion of men taking it up is tiny.

It's important to note that individual interventions and solutions can still have a positive impact on those who use them. It's crucial to have a variety of interventions and educational programs available for employees to choose from. However, it's important to acknowledge that such solutions, when implemented in isolation, may not be enough to improve the overall situation at a macro level.

NEW DATA IS EMERGING

We know that many executive leaders view wellbeing is a 'soft and fluffy, nice-to-have' discretionary benefit best left to Human Resources. However, I believe that new data will bring about a sea-change and wellbeing will soon be given the importance it deserves in the boardroom.

Professor Jan-Emmanuel De Neve of the University of Oxford is at the forefront of research into the link between wellbeing and individual and company performance.

Better Wellbeing = Better Individual Performance

New data is emerging which conclusively demonstrates that teams with high levels of wellbeing significantly outperform those with lower levels of wellbeing. A recent study at some of BT plc's call centres demonstrated the causal link between employee wellbeing and productivity. The headline result is that feeling better by just one point, on a scale from zero to 10, results in a 13% increase in weekly sales.

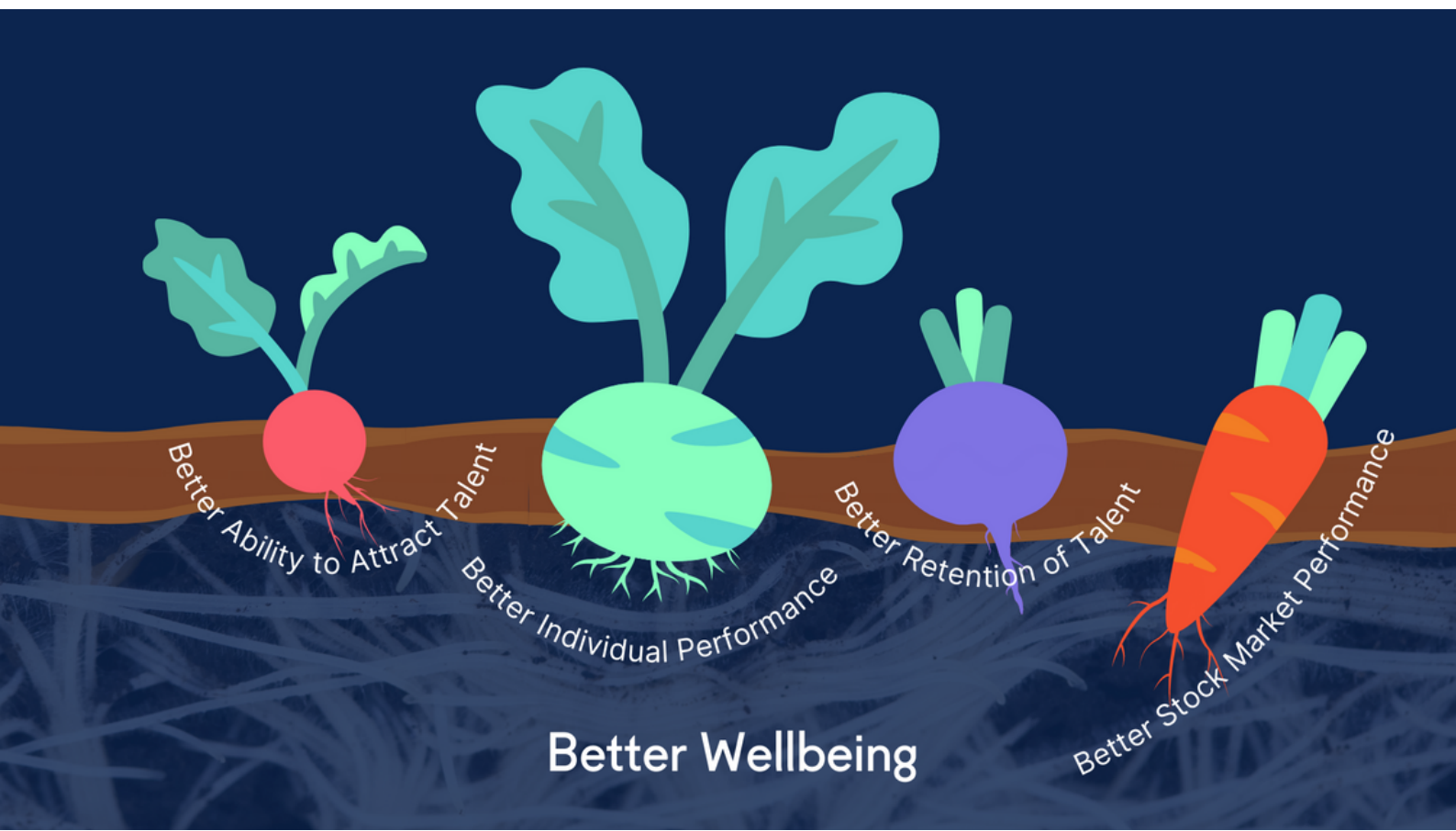
Better Wellbeing = Better Ability to Attract Talent

An interesting study by George Ward has demonstrated the causal link between companies that prioritise wellbeing and their ability to attract better talent. The study involved highlighting wellbeing data in job advertisements and demonstrated that job seekers are drawn to companies that prioritise their employees' wellbeing.

Better Wellbeing = Better Stock Market Performance

Professor De Neve has been working with indeed.com, on the world's largest study on workplace wellbeing, since 2020. This study collated over 15 million employee data points via the [Indeed Work Happiness Score](#). The data shows that company value, return on assets and profits are all strongly correlated to the company's wellbeing score.

More importantly, the Top 100 US companies ranked by wellbeing score in 2020 significantly outperformed the index in Bull, Bear and Volatile Markets. If you invested in \$1,000 at the start of 2021, your portfolio would be worth about \$1,300 at the start of 2023, which is more than double the returns on investment across the whole index.



Better Wellbeing = Better Retention of Talent


Employees who give their company a 2-star rating on Glassdoor are twice as likely to apply for a job elsewhere, application (compared to those who give their company a 5-star rating). This indicates that job search activity tends to decrease as job satisfaction increases.

This emerging data shows that companies who prioritise wellbeing will outperform their competitors and have greater success in attracting both talent and capital.

THE FUTURE OF WELLBEING

MEASURING WELLBEING WILL BECOME ESSENTIAL

As the workplace continues to evolve, companies are beginning to recognize the importance of prioritising employee wellbeing as a key component of individual, team, and overall company performance. This recognition is fueled by the realisation that employee wellbeing has a direct impact on a company's ability to attract and retain top talent and access capital, both of which are crucial for long-term success. To ensure that employee wellbeing is given the attention it deserves, companies must prioritise measuring and tracking employee wellbeing metrics.



As more and more organisations recognise the value of measuring and monitoring wellbeing, data related to wellbeing will become a valuable asset in making informed business decisions

Rob Stephenson, Founder & CEO FormScore



This represents a significant shift in how we view wellbeing, moving away from perceiving it as a non-essential or optional benefit, to recognising its importance as a fundamental aspect of individual and organisational success.

WELLBEING IS AN OUTCOME MEASURE

When we say that wellbeing is an outcome measure, we refer to the quantifiable and measurable indicators of the overall health and happiness of employees. In the workplace, wellbeing can serve as a benchmark for assessing how well organisations are structuring work to promote and support the health and happiness of employees.

By using wellbeing as an outcome measure, organisations can gain insights into how well their employees are doing and identify areas for improvement. This can include physical health, mental health, social connections, financial stability, and overall quality of life.

Viewing wellbeing as a benchmark for assessing work structures means that organisations can use data and metrics to determine whether their policies and practices are effectively supporting employee wellbeing. For example, if employees are experiencing high levels of stress or burnout, an organisation might use wellbeing as an outcome measure to evaluate whether workloads, schedules, or other factors are contributing to these issues.

By making data-driven decisions based on employee wellbeing outcomes, organisations can create a healthier, happier, and more productive workforce.

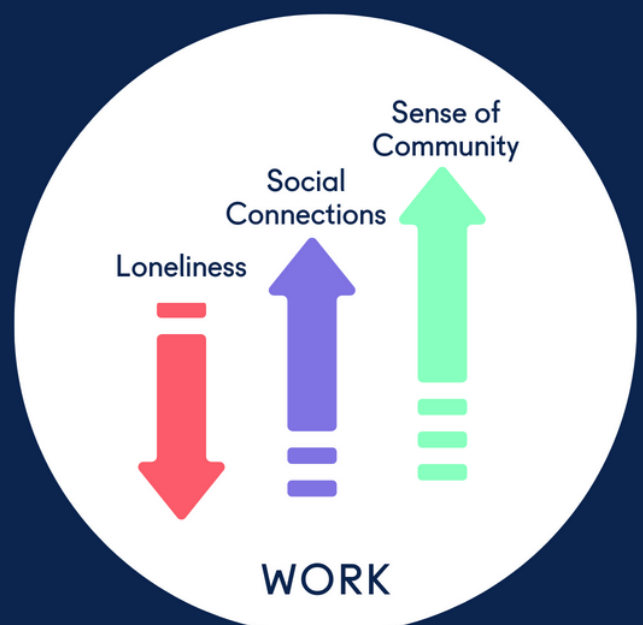
WORK IS UNDERSTOOD TO BE A KEY DETERMINANT OF WELLBEING

Work is a crucial factor that influences our wellbeing, and the quality of work can have a significant impact on overall health and happiness. When work is fulfilling and rewarding, it can promote job satisfaction, which can lead to positive emotions and a sense of purpose. Work can also facilitate social connections, which can help reduce loneliness and foster a sense of community.

Moreover, work can provide financial stability, which is essential for wellbeing. Financial stress can have a profound impact on mental and physical health, and work can alleviate this stress by providing a stable income.

However, the negative impacts of work should not be overlooked. Work can contribute to stress, anxiety, and burnout, particularly when the work environment is toxic, or overly demanding. In such situations, work can have adverse effects on mental and physical health.

Therefore, it is crucial for organisations to be aware of the potential negative impacts of work and to take proactive steps to create a positive and supportive work environment.



UNDERSTANDING THE DRIVERS OF WELLBEING IS CRUCIAL

To effectively improve wellbeing, we must recognise it as an outcome measure and acknowledge that work plays a critical role in determining our overall level of wellbeing. The next logical step is to gain a deeper understanding of the specific factors that influence wellbeing.

However, identifying these drivers can be challenging due to the highly individualised nature of wellbeing. What works for one person may not work for another, and the relevant drivers can vary depending on the individual and their circumstances, which can change over time. Furthermore, these drivers can have both positive and negative effects on wellbeing, so it's essential to consider the direction of the impact as well.

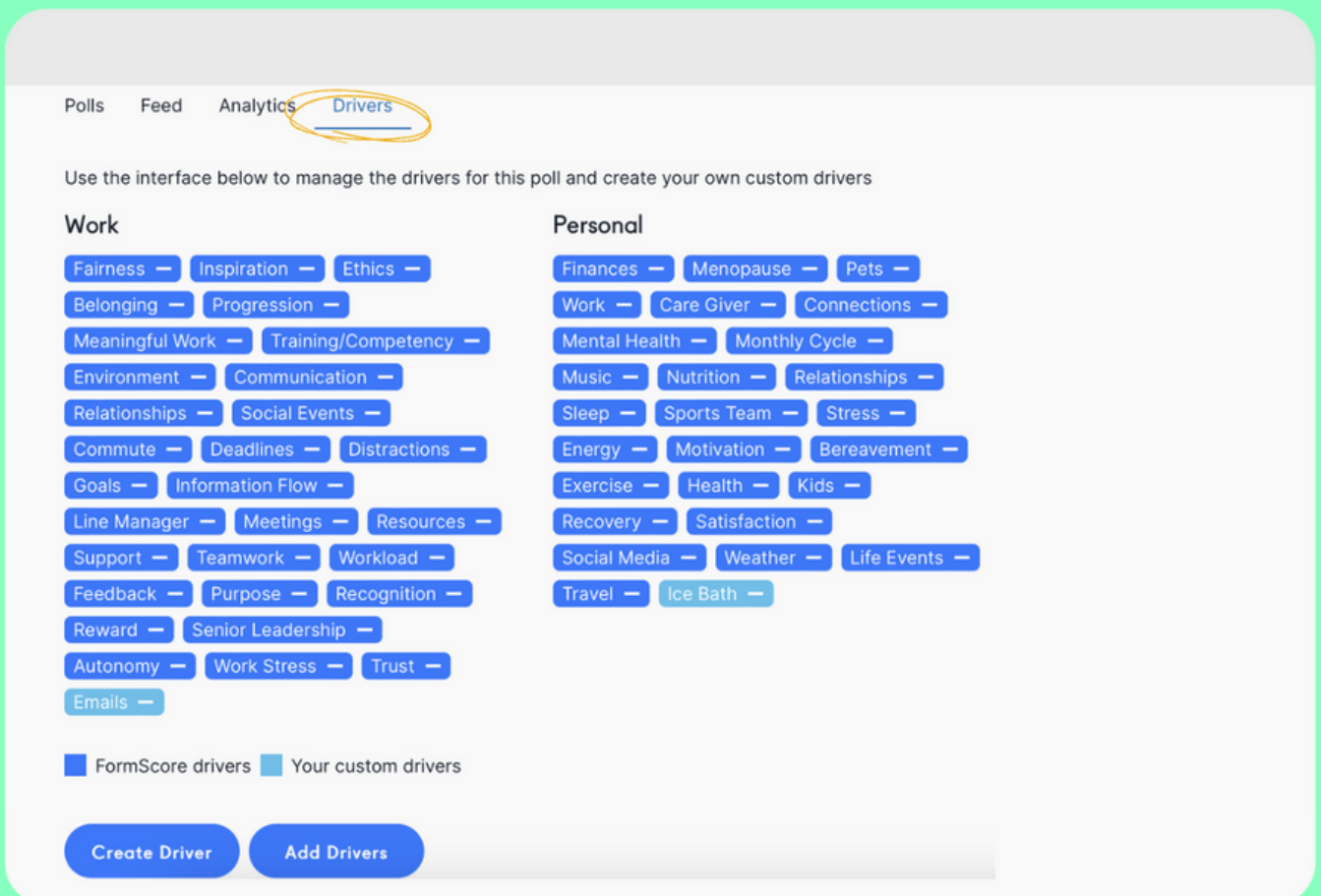
In the [study conducted with indeed.com](#), Professor De Neve revealed the top 5 factors that drive wellbeing as:

1. Belonging
2. Flexibility
3. Inclusion
4. Purpose
5. Support

Note that Compensation came in at number 6.



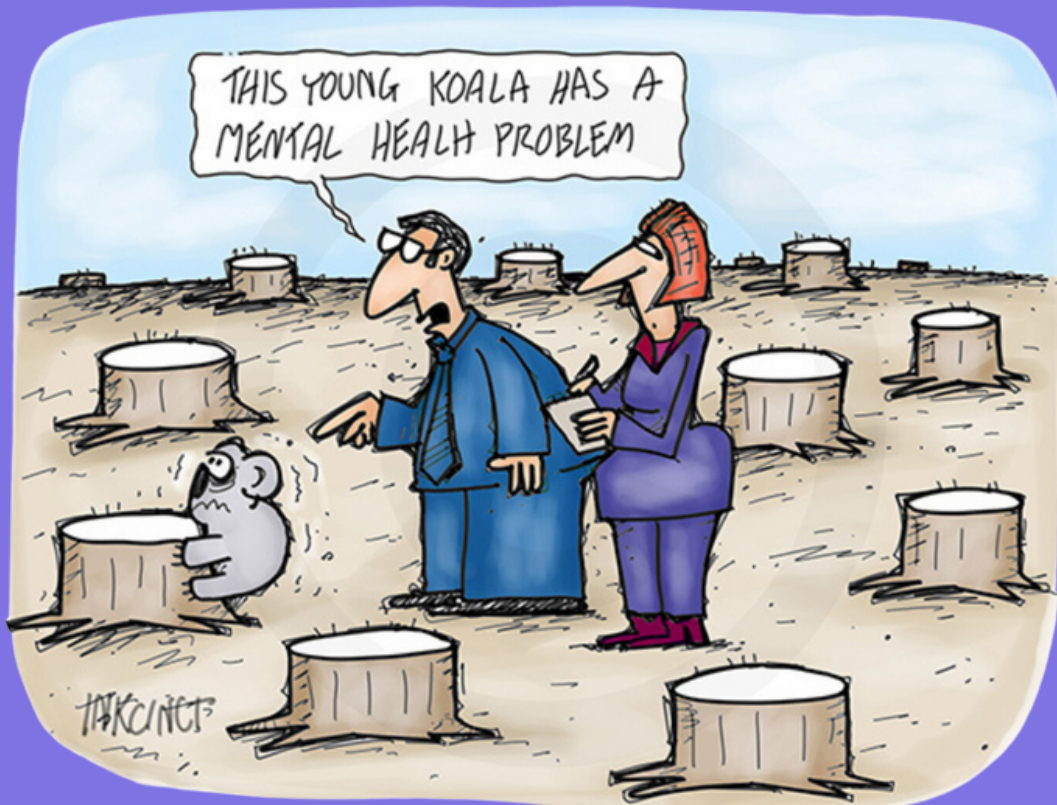
At FormScore, we understand that every team has unique needs. That's why we have identified 30 standard work drivers and also provide customisation options at the team level. This approach allows us to offer granular insights into what is really affecting wellbeing and performance.



COMPANIES WILL MOVE FROM SOLUTIONISING TO OPERATIONALISING WELLBEING IN THE WORKPLACE

Historically, organisations have focused on "fixing" employees, through wellness programs and mental health support solutions. However, this approach fails to address the root causes of employee stress, burnout, and disengagement, which often stem from systemic issues within the workplace itself.

Instead, organisations need to shift their focus on "fixing work" by identifying and addressing the systemic factors within the work environment that contribute to employee stress and burnout. This might include issues such as excessive workload, lack of autonomy, poor communication, or a toxic culture. By addressing these issues, organisations can create a healthier, more supportive work environment that promotes employee wellbeing.



Organisations can operationalise wellbeing by taking a systematic and data-driven approach to promote employee wellbeing. In their excellent article, "[The Workforce Well-being Imperative](#)", Deloitte propose a number of steps:



1. Shift from legacy mindsets and build accountability for change beyond HR with wellbeing treated as a shared responsibility in the organisation



2. Measure wellbeing (and the drivers) in a meaningful way



**Let's stop
trying to fix People
and start fixing Work**





3. Identify the biggest opportunities for impact on employee wellbeing and prioritise them. Typically these will include:

- a. How leaders behave (micro and under-management; psychological safety, recognition)
- b. Work design (workload, work-stress, progression, meaningful work)
- c. Ways of working (always on, task switching, flexibility & autonomy)
- d. Technology has the potential to promote employee wellbeing by automating work and helping reduce workload in certain roles.

SENIOR LEADERS WILL HAVE A PIVOTAL ROLE IN MOVING THE WELLBEING AGENDA FORWARD

To take advantage of the great wellbeing performance opportunity, it is essential that executive and senior leaders are fully engaged and committed to the shared responsibility of promoting employee wellbeing. To facilitate this we need to inspire them as to the “WHY” and give them practical ideas on the “HOW”.

Why should senior leaders care about employee wellbeing?

There are several compelling reasons why senior leaders should prioritise employee wellbeing:

1. Ethical responsibility:

Firstly, it is the right thing to do. As leaders, they have an ethical responsibility to ensure the health and wellbeing of their employees.



Ethical
Responsibility



Financial
Benefits



Performance

2. Financial benefits:

Companies that invest in employee wellbeing are likely to have better access to talent and capital, and can outperform those that do not. Emerging data support this, demonstrating that organisations that prioritise employee wellbeing can achieve better performance on stock markets.

3. Performance:

Teams and individuals with higher wellbeing tend to perform better. When employees feel supported and valued, they are more engaged, motivated, and productive, which ultimately leads to better business outcomes.

How can senior leaders support employee wellbeing?

To effectively support employee wellbeing, senior leaders can take the following actions:



1. Recognise shared responsibility:

Leaders should recognise that employee wellbeing is a shared responsibility and not something that should be solely delegated to HR. CEO/CFO sponsorship for employee wellbeing is a good start to reinforce this message.



2. Embed wellbeing in performance reviews:

Leaders can embed team wellbeing as a core competency in performance reviews at all levels of management. This can be achieved by collecting and sharing wellbeing data, cross-referenced with other metrics such as vacation days taken, hours worked, and other indicators of potential burnout.



3. Role model good wellbeing behaviours:

Leaders should personally role model good wellbeing behaviours and set the tone for their team.



4. Encourage open communication:

Leaders can encourage open and transparent conversations at all levels. This provides individuals with an opportunity to express their needs to their managers and teams.



5. Offer empathy and psychological safety training:

Leaders can offer empathy and psychological safety training to managers to help them become better leaders. Emotional intelligence is not innate and can be developed through learning.



6. Create a culture of recognition:

Leaders can create a culture of recognition at work by incorporating small behaviours, such as shout-outs at the start of meetings or encouraging managers to write gratitude notes to team members. These practices can make a big impact on employee wellbeing and happiness.

Find out how FormScore for Leaders can benefit your organisation.

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FOR LEADERS

WE MUST EQUIP LINE MANAGERS TO IMPLEMENT A CULTURE OF WELLBEING

While many of the factors mentioned for senior leaders also apply to line managers, here are some specific steps that line managers can take to help them create a culture of wellbeing within their teams:



1. Educate managers:

It's important to educate line managers on the significance of prioritising wellbeing at the team level, and to give them a clear understanding of the benefits. This can help them become more invested in the process and motivate them to take action.



2. Simplify priorities:

Line managers have a lot on their plate, so it's important to simplify their priorities and help them focus on the five things that will make the most significant impact, with wellbeing as one of them.



3. Provide specific ideas:

To assist line managers in fostering a culture of wellbeing within their teams, provide them with practical recommendations on how to create. For example, creating space for team members to share their wellbeing non-negotiables with colleagues can be a great starting point.

These steps will better equip line managers to establish a culture of wellbeing within their teams, leading to improved employee wellbeing, engagement, and performance.



Educate
Managers



Simplify
priorities

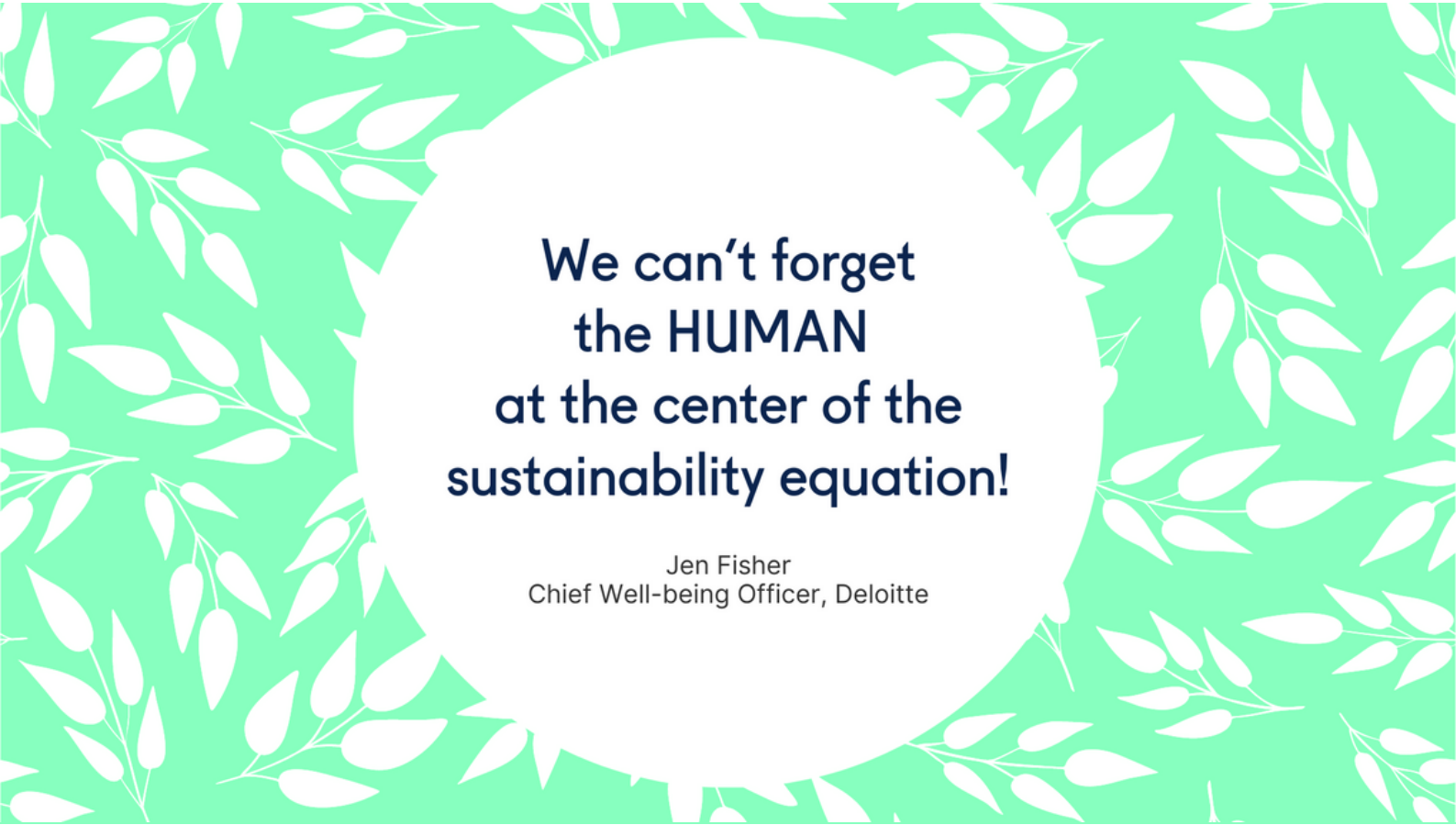


Provide practical
recommendations

THE RISE OF “HUMAN SUSTAINABILITY”

In recent years, there has been an increasing focus on the concept of sustainability in the business world. Organisations are recognising the need to operate in a way that benefits not only their profits but also the environment and society as a whole. However, there is another dimension of sustainability that is often overlooked - human sustainability.

Human sustainability refers to the ability of individuals and communities to maintain their wellbeing over time. In the workplace, this means creating an environment that supports employees' physical, emotional, and mental health of employees, enabling them to thrive and contribute to the success of the organisation.



**We can't forget
the HUMAN
at the center of the
sustainability equation!**

Jen Fisher
Chief Well-being Officer, Deloitte

Wellbeing is a key component of human sustainability. When employees are unwell, their ability to perform their jobs effectively is compromised, and they may experience high levels of stress, burnout, and disengagement. Conversely, when employees are thriving, they are more likely to be productive, innovative, and committed to the organisation's goals.

As the spotlight turns toward the health and wellbeing of humans in ESG (Environmental, Social, and Governance) reporting, companies can expect to report on their wellbeing metrics under greater scrutiny and be held accountable for how they support their employees' health and wellness.

WELLBEING AS AN OVERARCHING MEASURE OF SUCCESS



Workplace

We have discussed thinking of wellbeing as an outcome measure for how well companies are structuring work. For the most progressive companies, employee wellbeing may well become as essential as the creation of shareholder value. Companies that get wellbeing right will certainly be more successful in generating profits and overall value.



Society

Labour economist, Lord Gus O'Donnell, has long advocated for utilising wellbeing as a measure of societal success. Indeed, he argues that GDP per head was not designed to best measure how well our society is doing, given that it's simply an indicator of activity (including returns from criminal activities such as drug dealing). GDP per head growth is not consistent with caring for the environment. Instead, life satisfaction is a much better indicator of citizen wellbeing. Lord Gus also argues that policy decisions taken through the lens of improving citizen wellbeing will be much more effective and more sustainable in the long term.

WELLBEING



Education

The traditional way of measuring success in education has always been through grades. However, over the years, there has been a growing understanding that grades alone do not paint the whole picture of a student's success in school. The concept of wellbeing has gained increasing attention as a measure of success in education. Students who are happy, healthy, and motivated tend to perform better academically, form stronger relationships with their peers, and have a more positive outlook on life.

It could be argued that student wellbeing is a better measure of success in schools and a better predictor of future success than grades alone.

ABOUT THE AUTHOR



Rob Stephenson is a workplace wellbeing thought leader and keynote speaker who regularly advises senior leadership teams on wellbeing strategy.

Rob is the Founder & CEO of FormScore, a people analytics startup that enables managers and organisations understand their team's wellbeing and performance readiness and what is driving it, in real-time.

Rob is also the Founder of the InsideOut LeaderBoard, a non-profit organisation with the mission of smashing the stigma of mental ill-health in the workplace by showcasing senior leaders who are open about their mental health challenges.



ROB STEPHENSON

ABOUT FORMSCORE



FormScore is an innovative people analytics platform that provides managers with valuable, real-time, insights into their team's Wellbeing, Commitment, and Effectiveness.

With the 'Check-in' feature, managers can run a quick anonymous poll at the beginning of meetings, and receive instant tips to address areas that limit the team's performance the most.

The platform provides insights on the impact of organisational and world events on Performance Readiness, enabling managers to prepare and respond better to future events.

FormScore is designed to be the ultimate Performance Measurement solution for The Future of Wellbeing.

For a demo, please contact sales@formscore.today.

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