

Employee Well-Being: An Essential Building Block for a High-Performing Workforce

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ENABLING TOP PERFORMANCES

Employers often ask, “What can we do to differentiate and propel our organization?” The reality is, the most valuable and mineable resource is already on the organization’s payroll.

Employees are undoubtedly an organization’s greatest resource for growth. They are the pivotal factor in whether an organization’s initiatives succeed. Progressive employers seeking a sustainable, competitive advantage will find it not just in the products and services they offer, but in the abilities, over time, of the people who are delivering and supporting them. The workforce, then, is the most critical reserve. The key is to fully leverage its potential.

Current research by Horizons Workforce Consulting illustrates that employee well-being exponentially multiplies workforce potential. People with high levels of well-being have a profound impact on the success of their employers. They are energized, perform at their peak, and, as a result, drive their organizations forward. In addition to delivering top performances, these employees possess optimism and creativity — as well as the crucial quality of resilience — that allows their productivity to be sustainable even in the face of inevitable disruptions either at work or outside of work.

Cultivating this performance-driven environment through employee well-being is in an employer’s best interest. Doing so requires purposeful efforts. Well-being thrives in supportive organizations that recognize employees have priorities and responsibilities both in and outside of the workplace. These organizations have environments that are established not by chance but by design. They are the result of an organization and leadership having a willingness to look inward at the workforce, beyond traditional surveys, to understand precisely what is challenging their individual employee population, and then to respond with targeted and relevant support strategies.

For employers willing to engage in such introspection and action, the results can be transformative. **The net effect will be employees with high levels of well-being and, as a result, the desire, the drive, and the ability to consistently and sustainably deliver and contribute to the organization’s success.**

What is Well-Being?

Well-being refers to the sum total of things that make people feel grounded and capable of successfully managing life; the elements that together make them feel fully capable of putting in their best performances.

Often mistakenly equated with the more narrowly oriented “wellness” (which refers only to physical factors), well-being looks at people in a more holistic way.

It takes into account an individual's disposition in all areas, from family to community to work to financial, *as well as* physical and mental health. Depending on the particular pressure points of the employee, factors affecting well-being might include caring for an elderly parent, saving for retirement, paying bills, pursuing a child's college education, exercising, losing weight, career direction, getting those last credits to complete an unfinished college degree, or having the time to be active in one's community.



Why Employers Should Care

Such personal concerns understandably raise questions for employers about why they should get involved in their employees' life outside of work. More pointedly, they wonder, “Why should we care?”

As a direct matter of “cause and effect,” well-being offers definitive and substantial benefits to employers.

To illustrate this, Horizons Workforce Consulting conducted the *2012 HWC National Well-Being Study*, researching employee well-being using a national sample of nearly 2,000 respondents representative of the U.S. workforce. The study found that employees with high levels of well-being reported enhanced energy and optimism. They performed better in every area including engagement and productivity, they had fewer health complaints, and, as a result, they missed fewer workdays.



MORE THAN DOUBLE THE NUMBER
(57%) OF EMPLOYEES WITH HIGH LEVELS OF WELL-BEING

REPORTED CONSISTENTLY PUTTING IN EXTRA EFFORT AT WORK, AS COMPARED TO



28% OF EMPLOYEES WITH LOW LEVELS OF WELL-BEING

Impact of Well-Being on Resilience — the Exponential Benefit

The study also clearly showed that well-being equips employees with the vital quality of **RESILIENCE** – the ability to bounce back from and deal with personal or professional events (an elderly parent’s health crisis or downsizing at the office, for example) that can interrupt and impact work performance. Resilience is the critical characteristic that allows for the expected ebbs and flows in an individual’s life and that ensures continued forward progress even in the face of inevitable **DISRUPTIONS**. Cultivating resilience across an organization can have an exponential impact on **PRODUCTIVITY** and performance.

$$SP = E \times C^R$$

Sustainable productivity (SP) is the result of an **environment (E)** that supports employee well-being through programs and policies that create a culture that respects employees’ priorities inside and outside of work. **Personal contribution (C)** is facilitated by such an environment and is multiplied exponentially by an employee’s level of **resilience (R)**. Disruptions will happen, but when the scaffolding is in place to support people through those times, they recover more quickly and sustain higher levels of contribution.

Understanding What Drives Your Workforce

Exactly *what* drives employee well-being, and, by extension, resilience, and *what* creates that feeling of overall stability is equally illustrative. Much of it falls outside of an employer’s line of vision. By their own accounts, work is only one piece of what defines employees and what factors into their overall sense of well-being. Asked to rank their many different life roles in order of priority, employees in a national study identified “worker” in the fifth spot — behind parent, spouse/partner, friend, and religious observer.* Such a model could no doubt be extrapolated to represent the priorities of employees without spouses or children as well.

ASKED TO RANK THEIR MANY DIFFERENT LIFE ROLES

IN ORDER OF PRIORITY, EMPLOYEES IN A NATIONAL STUDY IDENTIFIED AS FOLLOWS:*



1. PARENT



2. SPOUSE/
PARTNER



3. FRIEND



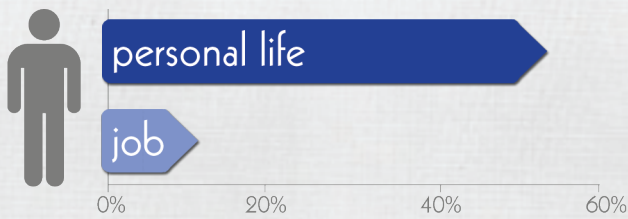
4. RELIGIOUS
OBSERVER



5. WORKER

*Thoits, Peggy A. “Identity Structures and Psychological Well-Being: Gender and Marital Status Comparisons.” *Social Psychology Quarterly* 55.3 (1992): 236-356.

Impact on Well-Being



The *HWC National Well-Being Study* additionally showed that one's personal life — specifically, satisfaction with community, relationships, family, hobbies, etc. — accounted for **54%** of that coveted well-being. Job satisfaction, while still important, accounted for a much smaller **13%**. **What that translates to is a sizeable number of factors that, while only tangentially connected to work, have the potential to nevertheless significantly impact overall performance and, as a result, merit considerable employer attention.**

Cultivating Well-Being

Even when overall well-being is recognized as a performance driver, the challenge becomes: How can an employer facilitate it?

Support strategies naturally make good sense. But the question must be asked — which supports? Many employers try to address well-being via guesswork, with randomly assembled programs — such as gym memberships — that, while no doubt appreciated, fail as strategies that have the desired impact if they don't necessarily speak to their particular workforce's needs.

Support strategies are only as good as the problems they solve. Without concrete data to inform decisions, they're just guesses with minimal efficacy and questionable genuine investment potential.



89% OF EMPLOYEES WITH HIGH LEVELS OF WELL-BEING

REPORTED HAVING HIGH JOB SATISFACTION, AS COMPARED TO



20% OF EMPLOYEES WITH LOW LEVELS OF WELL-BEING

Creating a Measurable Indicator

The best way to know what's challenging your employees is to ask them. A comprehensive evaluation is unlike a typical employee opinion survey in that it is investigating, "*How are you, our employee, doing?*" rather than, "*How are we, as your employer, doing?*" The evaluation should take into account leadership initiatives and goals as well as concerns brought up in employee focus groups, and it should consider every area affecting overall well-being including resilience, personal life, health, financial wellness, and job satisfaction. The results will be informative and unique to your population, identifying where your employees are doing well and where they need help.

In order to better understand the issues in its workforce, Bright Horizons contracted Horizons Workforce Consulting to conduct an evaluation of the well-being of its own employees. The results highlighted specific areas of concern for Bright Horizons employees. In the area of financial challenges that impact well-being, for example, Bright Horizons employees reported a lack of confidence in creating household budgets — not saving for retirement — as the primary concern, enabling leadership to consider a more focused support designed to deliver budgeting tools, resources, and skills versus communicating regularly about the 401K program.

Such an evaluation also offers employers the ability to derive important long-term information. Talled together, the results enabled Horizons Workforce Consulting to create a comprehensive **Well-Being Indicator** customized to the Bright Horizons workforce, a clear roadmap that illustrated where Bright Horizons was succeeding in its well-being initiatives and where there was room for improvement. Down the road, the Indicator will provide a benchmark for comparative reassessments, enabling a clear view of how response programs are impacting employees, and to understand precisely which supports are — or aren't — working. Once a response program has been created to address Bright Horizons' employees' budget issues, for example, the Indicator can be used to determine the impact of the solution and whether it's moved the needle on the well-being gauge in the right direction.

To be effective, it's critical for such studies to be representative of each individual workforce. The well-being model formed from the analysis of the Bright Horizons workforce differed substantially from the model that emerged in the *HWC National Well-Being Study*, illustrating how important it is for each organization to conduct its own evaluation.



The Bottom Line

The above example is one story — one individual Well-Being Indicator. To create your optimal response strategies, your Indicator will have to represent *your* organization; your employee population. But assessing and acting on these personal elements is well worth an employer's time — and in fact, ignoring them is done at an employer's peril.

A customized analysis and response strategy will not only illuminate what's challenging your workforce, but will provide the opportunity for relevant responses that allow your organization to succeed and thrive for the long haul.

Those who purposefully investigate precisely what drives and challenges the well-being of their individual employee populations, and who respond in pertinent and effective ways, will benefit from high-performing workforces that deliver sustainable results and a measurable competitive advantage.

Horizons Workforce Consulting can conduct a customized well-being study to arrive at a Well-Being Indicator for your workforce. Visit us at www.brighthorizons.com/wellbeing to learn more about how well-being can work for your organization.



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Dan is responsible for the delivery of leading-edge people solutions to more than 20,000 Bright Horizons employees. Recognized as a values-driven business professional, he is a contributing author to *Inside the Minds* and has also been a featured speaker at the NEHRA annual convention, SHRM, the Conference Board, and NAAHR.



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After careers in early education and as a sociology professor, Lucy has spent the past eight years consulting with corporate and university clients, researching and writing about work/life issues, and speaking at national conferences. Lucy is married to an art teacher and has two sons, ages ten and two.

Methodology

Data consists of survey responses from 1,943 full-time working adults. Respondents were solicited through online panels and reflect the demographics of the U.S. workforce.

About Horizons Workforce Consulting

Horizons Workforce Consulting partners with employers across industries to provide services designed to help increase the effectiveness of their people strategy.

About Bright Horizons

For more than 25 years, Bright Horizons has led the way in early childhood education and a robust family of solutions at work including child care, back-up care for children and adults/elders, educational advising, tuition assistance management, and global consulting.

We partner with more than 900 leading employers around the world and across nearly every industry, including hospitals, universities, financial services, pharmaceuticals, and government agencies, to help increase productivity and engagement, enhance employee well-being, and improve recruitment and retention.

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