



Centering Employee Wellbeing to Boost Engagement

STRENGTHEN BUSINESS BY SUPPORTING YOUR PEOPLE





What influences the world of work is always in flux. How people feel about change isn't. Gallup's 2023 State of the Global Workplace report revealed worker stress is at record high levels. In the U.S. and Canada, a full 52% of employees report they experienced a lot of stress the previous day.

If more than half your employees are fueled primarily by adrenaline and anxiety, they're not doing their best work. In 2024, Gallup reported an engagement stagnation: Employees feel "detached from their employers, with less clear expectations, lower levels of satisfaction with their organization, and less connection to its mission or purpose, than they did four years ago. They are also less likely to feel someone at work cares about them as a person."



This trend is significant because engagement is linked to performance outcomes. U.S. employees who are not engaged or are actively disengaged account for nearly \$2 trillion in lost productivity. And it's not necessarily employees' fault, either – several changes in the workforce have contributed:

- 51% of managers tell Gallup that team restructuring because of layoffs, budget cuts, and staffing challenges has been a major complication.
- 64% of managers report employees now have additional job responsibilities and customers are demanding more immediate digital experiences.
- 70% of managers report they have had no formal training in leading a hybrid or dispersed team.

Employees are struggling, and it is vital organizations support them if leaders want to achieve business objectives. Workplaces shape wellbeing every day – for better or for worse – by the way they treat their employees. Leaders who strategically incorporate recognition into their culture can drastically improve employees' awareness that they're valued, cared for, and respected as people.



If wellbeing (and its related benefits) were foremost in the minds of leaders, most companies would be cathedrals of caring. Most companies haven't made that cultural journey yet, because they have misplaced views about the cost of building community or because their leaders perpetuate the old command-and-control mindset.

ERIC MOSLEY & DEREK IRVINE

"Making Work Human"

A new view on employee wellness

Traditionally, employee wellness programs consisted of presentations or workshops paired with biometric assessments and free pedometers. Classes designed to help people lose weight or stop smoking had a thinly veiled goal of driving down healthcare costs for the organization.

To reap the many positive outcomes of true wellness, leaders should aim to grow beyond this mindset. Deeply felt engagement and productivity are not the product of fear or command-and-control leadership, but rather human-centered leadership. Employees who feel a sense of belonging, who believe their leaders trust them, and who are encouraged to take the time and space to care for their physical and mental health tend to feel empowered and respected.



Recognizing employees is an excellent first step in achieving these goals. Workhuman® and Gallup conducted a large-scale study of more than 12,000 employees across 12 countries that demonstrates fulfilling employee recognition is associated with better employee wellbeing across four key dimensions:

- 1. Increased overall life evaluations:** Employees are as much as 2x as likely to evaluate their lives and futures positively.
- 2. Reduced levels of burnout:** Employees are up to 90% less likely to report being burned out at work “always” or “very often.”
- 3. Improved daily emotions:** Employees are up to 2x as likely to report having experienced a lot of gratitude the previous day and about 40% less likely to report having experienced a lot of stress, worry, and sadness.
- 4. Better social wellbeing:** Employees are 7x as likely to strongly agree that they have meaningful connections or a best friend at work, and as much as 10x as likely to strongly agree that they belong.

When organizations create an environment in which employees consistently receive high-quality recognition, these benefits translate into clear ROI. That said, leaders must view recognition as a strategic initiative in which to invest, and then scale it thoughtfully.



Immediate action plan

1. Increase your check-ins

When looking at engagement stagnation, “the largest decline associated with the drop in clear expectations was the extent to which employees perceived that they have had meaningful feedback in the past week,” [Gallup](#) explains.

How does that connect to wellbeing? When people feel lonely, disconnected, or unwell, many lean on the natural, human urge to reach out to those who comfort them. They look to express themselves authentically and feel heard and understood. Gallup confirms the best one-on-one conversations touch on the personal, as well as “prevent employees from feeling disconnected from the organization because managers stay in touch with what each employee contributes and can then articulate how that work affects the larger organization.”

Regular check-ins that cover goals and priorities, paired with strategic recognition, support [meaningful conversations](#) between managers and employees, as well as peers and collaborators up and down the organization.

Some best practices around weekly checks-in include:

Ask about the big Hs. How's your head? How's your heart? How's your home? How's your health? Even if you're meeting about work, take a few minutes at the beginning to let the human shine.

Open up. Retaining a mindset of trust, honesty, and positive intent creates a safe environment that promotes authenticity and supports inclusion and belonging – especially when the discussion involves difficult topics.

Let everyone drive. Empower every human in the organization to schedule check-ins and set the agenda when they need to talk.

Embrace a growth mindset. Mistakes and missteps lead to learning. Always assume people can expand their outlooks and skill sets, regardless of any struggles they may be experiencing.

Actively listen. Make sure the person knows you are there for them. Giving your full attention to the conversation helps reduce miscommunication and develop trust.

2. How recognition comes in

Regularly talking with each other increases our sense of trust, belonging, and psychological safety. Then, you can add in recognition for the most well-rounded employee experience. Our research with Gallup uncovered multiple ways recognition accelerates employee wellbeing across the globe:

1. Recognition propels employees to thrive.
2. Recognition lifts employees' spirits.
3. Recognition shields employees from burnout.
4. Recognition magnifies social wellbeing.

A culture of recognition enriches employee wellbeing holistically – from employees' social connections to their career aspirations. One of the hallmarks of a culture of recognition is when employees freely give and receive recognition. When recognition resounds at all levels of the company, it amplifies the benefit to everyone's wellbeing.





Employees who strongly agree that recognition is an important part of their culture are up to **91% more likely** to be thriving.

Employees who strongly agree that they get the right amount of recognition for the work they do are up to **84% more likely** to be thriving.

When employees give recognition at work at least a few times a month, they are as much as **2x as likely** to be thriving.

Source: "Amplifying Wellbeing at Work and Beyond Through the Power of Recognition," Gallup and Workhuman, 2022

By enabling these connections, you'll create a collective culture of positivity and unlock and unleash even greater human potential – which reduces stress, allows people to focus and innovate, and ultimately drives business outcomes.

We'd love to show you how.

To learn more, get in touch with us directly or visit workhuman.com.

+1 888.743.6723 | workhuman.com
Or read more on our blog: workhuman.com/blog

Join HR's leading innovators and trailblazers at our next Workhuman Live conference.

©2024 Globoforce Limited trading as Workhuman®. All rights reserved. 2183518

workhuman*