



The Ultimate Guide to Employee Wellbeing

HOW AND WHY TO PROMOTE A HAPPY AND HEALTHY WORKFORCE





Recent years have witnessed an enormous transformation in how people negotiate the relationship between their personal and public lives in the workplace. Shifting social and economic backdrops have broken down generational barriers that saw work and home as separate entities.

Conversations surrounding wellbeing, which were once irrelevant at work, are now top of mind for employers and employees alike. The Future Workplace HR sentiment survey found that 68% of senior leaders (of which 40% were CHROs) rated employee wellbeing and mental health as top priorities.

The bottom line is that prioritizing employee wellbeing is crucial for organizations seeking to create a thriving and engaged workforce.

What follows are three key steps that outline how, by understanding the multifaceted nature of wellbeing and focusing on strategic recognition, organizations can improve overall employee satisfaction, reduce burnout, and foster a positive work environment.



The corporate wellbeing market is estimated to be **\$20.4B** in the U.S. and is forecasted to grow to **\$87.4B by 2026.**

Source: Global Corporate Wellness, Global Industry Analysts, 2023



ONE

Understand what employee wellbeing is.

To cultivate employee wellbeing, it is essential to have a clear understanding of what it is. Employee wellbeing goes beyond mere physical health or happiness. It encompasses various aspects of an individual's life, including their career, social connections, mental and emotional health, financial stability, and overall standard of living. It serves as a barometer for a fulfilling life, both inside and outside of work.

The factors of employee wellbeing, according to Gallup and Workhuman® research:

- Career wellbeing refers to how people spend their days and whether they generally like what they do with their time.
- Social wellbeing refers to people's relationships with others and whether they have meaningful connections and positive interactions with others.
- Financial wellbeing refers to people's economic stability and standard of living and whether they have the funds they need to provide for themselves and their families.
- Physical wellbeing refers to people's health and physical condition and whether they have the energy and endurance to be productive each day.
- Community wellbeing refers to people's daily environment and whether they feel satisfied, connected, and engaged with the areas in which they live.

TWO

Don't ignore the power of wellbeing in the workplace.



Employee wellbeing is of paramount importance for both individuals and organizations. Research from Gallup and Workhuman shows that employees are – and always have been – deeply concerned about their wellbeing at work.

The difference now versus a decade ago is that this concern for wellbeing has become a rallying cry that is louder than ever. Companies and organizations in every industry have been forced to take notice and act on their moral responsibility to support their employees' wellbeing.

What companies and organizations may not realize is the substantial cost of ignoring employee wellbeing. Research shows that neglecting employee wellbeing results in decreased productivity, low engagement, burnout, and high turnover rates.

In addition, global costs associated with turnover and lost productivity because of low wellbeing reach an estimated \$322 billion, with employee burnout being a significant contributing factor.



Low employee wellbeing
can result in a staggering
\$20M loss for every
10K employees,
impacting performance
and overall productivity.

Source: "Amplifying Wellbeing at Work and Beyond
Through the Power of Recognition," Gallup and
Workhuman, 2023

THREE

Integrate strategic recognition initiatives to increase employee wellbeing.

One of the most effective and affordable ways to enhance employee wellbeing is through strategic recognition. By consistently acknowledging and appreciating employees for their contributions, organizations can shape a positive work culture where employees feel valued, cared for, and respected.

The study conducted by Gallup and Workhuman, involving more than 12,000 employees across 12 countries, reveals the impact of strategic recognition on employee wellbeing:

- Increased life evaluations: Employees are twice as likely to have a positive outlook on their lives and future.
- Reduced burnout levels: Employees are up to 90% less likely to experience burnout frequently.
- Improved daily emotions: Employees are more likely to experience gratitude and less likely to encounter stress, worry, and sadness.
- Enhanced social wellbeing: Employees are more likely to have meaningful connections and a sense of belonging at work.



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This is worth your investment. ... We see that more frequent recognition moments absolutely translate into how employees feel, how engaged they are, how long they stay, and how productive they are.

ELIZABETH ROSEMAN

Head of Broad-Based Compensation & Global Programs
Merck

Source: Workhuman Live, Atlanta, 2022

These results indicate that embracing a holistic approach to employee wellbeing not only benefits individuals but also leads to tangible returns for organizations, including increased employee engagement, loyalty, and positive brand advocacy.

It is evident that organizations that invest in employee wellbeing are better positioned to succeed in today's landscape, where employee expectations have been reshaped, and workplaces are being reimagined.

Ready to learn more about how you can improve employee wellbeing through strategic recognition? Read [the report](#) or contact us today.

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