

Wellbeing Revolution

2024 Survey





Introduction

It's an undeniably challenging landscape to be a HR or wellbeing lead at the moment.

Rising costs, increasing claims severity, low engagement, and high employee needs are a complex dynamic for stakeholders to successfully navigate.

Employee needs are arguably at their highest; we're facing a mental health crisis, rising cancer rates, a proliferation of chronic illnesses and the longest NHS waiting lists in recorded history.

Companies need to counter these converging issues with appropriate support. But how are they doing this? What's driving their wellbeing strategies? And what does success look like?

We surveyed 1,000 UK HR decision makers (HRDMs) and asked them about their approach to wellbeing, key challenges, and concerns about the future:

- > Only 14% of organisations strongly agree they have a well-defined wellbeing strategy
- > Increasing costs are a key challenge for 40% of organisations
- > A quarter of businesses do not use data to measure wellbeing effectiveness

A robust wellbeing programme can have a far-reaching impact on both the lives of employees and organisational performance. Our research delves into what companies are doing, the challenges they face, and their strategic aims.

As these macro-issues converge, it's a good time to re-evaluate your approach to wellbeing. If you'd like our support, get in touch at contact@pib-eb.com, we'd be delighted to help.

Suzanne



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Part 1

STRATEGY

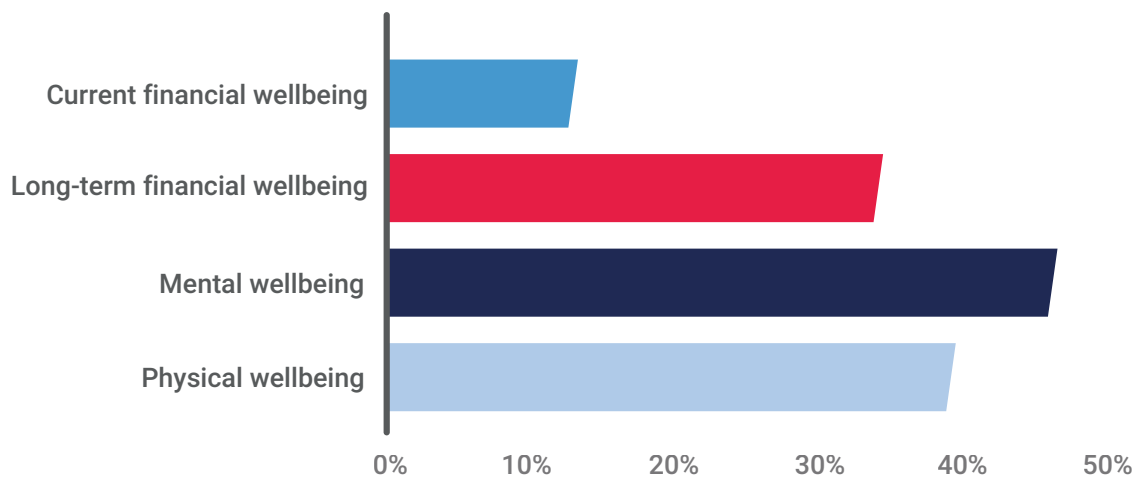


What are companies doing to support employee wellbeing?

It goes without saying that diverse employee populations need diverse wellbeing interventions. Wellbeing is not a homogeneous or fixed state of being. It is individual and subjective, and we all need different support to achieve our optimal wellbeing state. The wellbeing market has exploded in recent years, and there is plenty of wellbeing support available for companies to tap into – so what areas are they focusing on?

From our previous study in 2023, the Mind the Gap survey, we know there is mixed wellbeing provision and support is far from holistic:

What wellbeing support do employees receive?



The Data Gap

Nearly half of HR leaders do not have wellbeing data, or do not have access to data they believe is accurate enough to inform decisions. This figure rises to 59% for SMEs but drops to 24% for large corporates.

When there is a heightened focus on managing rising costs and ensuring return-on-investment, it is critical that companies have access to accurate datasets and are utilising them effectively. Claims information, absence rates, employee metrics, and uptake data can all be used to shape an appropriate wellbeing strategy for the employee population.

Are companies taking a strategic approach to wellbeing?

When it comes to strategy, our research shows that 34% of companies have a proactive and strategic approach vs 38% who don't have time for a wellbeing programme:



Wellbeing programme is proactive and strategic

Do not have time for a wellbeing programme

However, when we segment by company size, we can see a clear pattern emerge – only 10% of SME businesses have a robust wellbeing strategy in comparison to 22% of large corporates. Only 7% of large corporates do not take a strategic approach to wellbeing, whereas this rises to a fifth of businesses in the SME space.

HR leaders also have mixed opinions on whether their strategy meets employee needs:



Meets individual needs

Does not meet individual needs

On average, 39% of employers believe their wellbeing strategy meets employee needs – this jumps to just under half (49%) for large corporates. There is clearly still plenty of scope for improvement.

If budget was no issue, the top three initiatives companies want to introduce are:



52% would support mental and emotional health (including stress and burnout)



44% would support physical health (e.g. exercise and nutrition)



36% would introduce initiatives with a more proactive focus on the prevention of ill health

What is driving wellbeing strategy?

Our research reveals that only 14% of companies strongly agree that they have a well-defined wellbeing strategy and objectives, a proactive approach and a strategic focus on next steps.

There is clearly an opportunity for employers to re-evaluate their approach to employee wellbeing and review whether their strategy meets both employee needs and business requirements.

However, it's a difficult landscape for wellbeing leads:

- > 46% of businesses do not have accurate data to drive decisions
- > Over a third of companies do not have time to focus on wellbeing
- > 40% have limited budget for a wellbeing programme

34%

of companies do not have any wellbeing strategy – and do not know where to start

27%

of companies select interventions because it 'feels like the right thing to do'



"Companies need to ensure they're using data to drive decisions around wellbeing strategies. They should use a mix of sources to build a full picture of employee needs and hidden risks, which will then create a baseline to assess the return on investment of proactive intervention."

Suzanne Summerfield, Wellbeing Consultant



There is a distinct difference in strategic approach by company size:

	SME (1-49)	Mid Corporate (50-249)	Large Corporate (250+)
Well defined strategy	25%	33%	54%
Poorly defined strategy	47%	34%	17%

Spotlight on: Wellbeing Data

Adopting a data-driven approach to wellbeing can help companies make informed decisions, tailor appropriate interventions and facilitate a culture of continuous improvement and accountability around employee wellbeing.

Organisations need to have a holistic data set across multiple varied success metrics, and our research shows opportunity for improvement in data aggregation and utilisation. Although two-thirds of companies are using between one and four data points to assess the effectiveness of their wellbeing programme, 23 % are not using any data to measure impact.

Our research shows that only 12% of companies use five or more metrics to assess wellbeing impact and measure effectiveness.

A fifth of companies do not have accurate data to drive wellbeing decisions.

“Enabling access to accurate, varied data needs to be high on the wellbeing agenda. Not only does data create the business case for wellbeing investment, it also informs decision making.

It is impossible to have a good wellbeing strategy and measure its impact without accurate data.

Suzanne Summerfield
Wellbeing Consultant



Competitor Influence

A fifth of companies reported they select wellbeing initiatives to remain competitive amongst their peers. Larger organisations were more likely to be influenced by competitor activity; 28% of large organisations reported competitiveness was a deciding factor. It was also more prominent as an influencing factor for the construction industry, real estate companies, and finance and accounting sectors.

What support do companies want to provide?

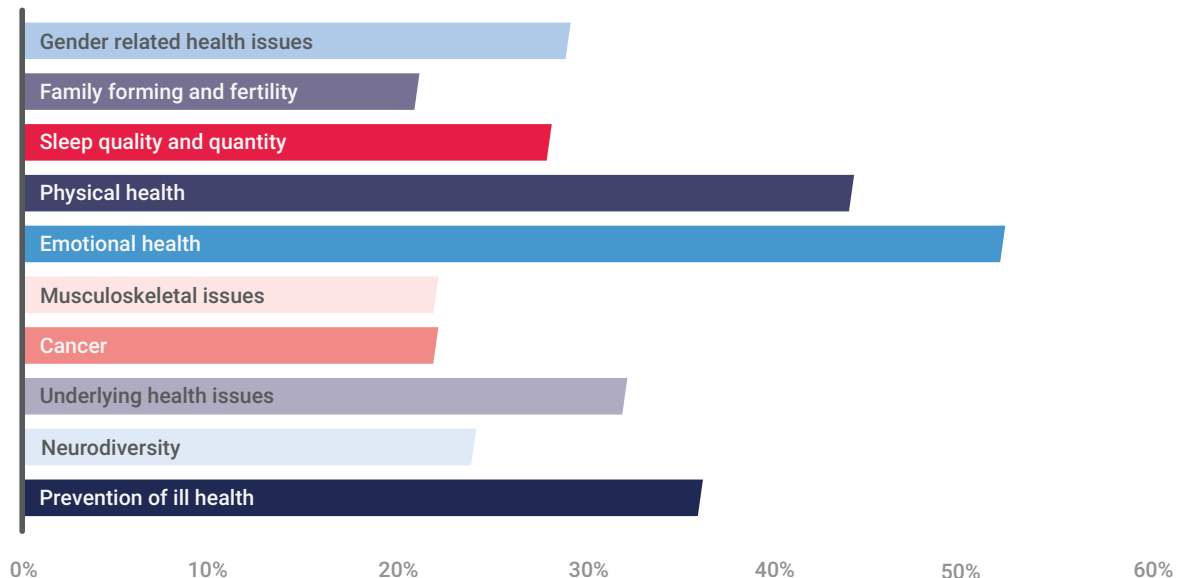
We gave respondents a hypothetical situation; if money and resource was no barrier, what wellbeing initiatives would you like to introduce to your organisation?

Emotional health support was the clear priority; over half (52%) of organisations would provide additional support for their employees.

12%

of companies would not want to introduce any new initiatives.

If budget/resource were no issue, what areas would you provide more support for?



Across all areas, larger organisations were more open to providing additional support than SMEs. There were also notable differences across industries; the health industry scored highest across nearly all areas, although this is probably due to increased awareness and exposure to wellbeing issues. Other industries which scored high across multiple factors were education companies, legal organisations and real estate businesses.

Part 2

OBJECTIVES



Why are companies providing wellbeing support?

Our research shows a trend towards an employee-centric approach to objective setting:

- > 53% want to improve employee loyalty and retention
- > 52% want to increase employee satisfaction and engagement
- > 48% want to improve employee performance and productivity

When we look further ahead – 44% of HRDMs surveyed said their biggest wellbeing priority in the next three years is improved organisational resilience, jumping to 51% for large organisations.

What are the main goals of your wellbeing strategy?



The Talent Gap

Although 53% of employers responded that employee loyalty and retention was a main objective for their wellbeing strategy, only a third cited talent acquisition as a key aim. Our 2023 Mind the Gap research shows that benefits can be an influential part of the decision-making process for new hires; 53% of employees would switch roles for better employee benefits elsewhere.

Spotlight on: Rising Costs

Rising medical rates have prompted many organisations to re-evaluate their approach to wellbeing.

The ability to generate a positive return-on-investment is a clear focus for many organisations:

- > A quarter of companies choose wellbeing interventions based on whether they can reduce future costs
- > 30% of businesses use performance and productivity metrics to assess wellbeing programme effectiveness

A proactive, preventative approach to employee health could have a positive impact on the cost of future medical premiums. A robust employee wellbeing programme can also improve productivity and reduce absenteeism and presenteeism.

Companies also shouldn't overlook the link between wellbeing and culture; a more supportive environment with better benefits can also positively impact employee retention and talent attraction.

40%

of companies reported increasing costs are their biggest challenge

31%

of companies believe managing costs will be a key challenge over the next three years



“Supporting the longer-term sustainability of wellbeing programmes requires a proactive focus on prevention to address and mitigate the underlying health risks and to help manage future costs.”

Costs around absence, retention, and productivity are often overlooked, as they don't appear on a balance sheet. But we often find that the cost of inaction can be far higher than the cost of wellbeing interventions.

Clare Dare, Head of Consulting – Health and Risk



How are companies defining and measuring success?

Determining the effectiveness of wellbeing initiatives and measuring their impact on employee health, satisfaction, and productivity can be challenging without robust measurement and analytical frameworks. A data-informed approach can support strategic decision making and enable a tailored strategy that addresses diverse needs.



39% of companies believe their wellbeing programme meets individual needs



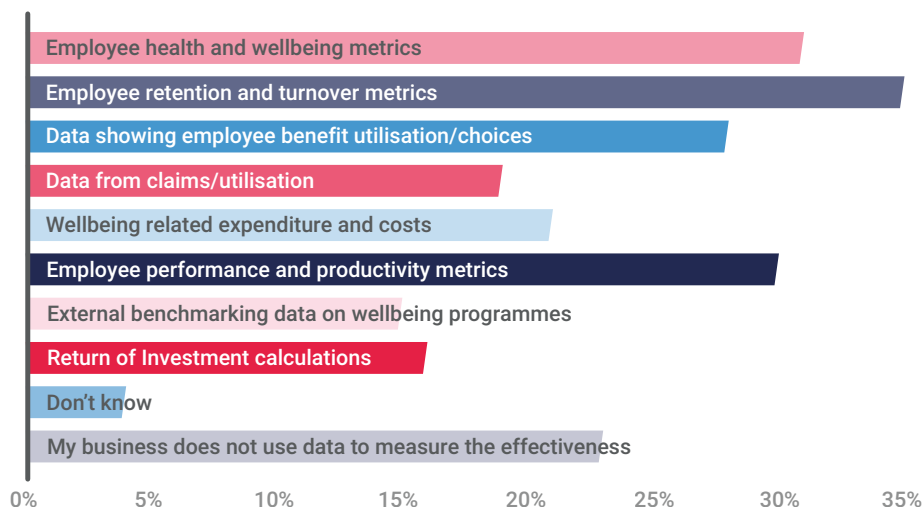
A quarter of businesses would like more detailed data to show impact and ROI



23% of businesses do not use any data at all

Our research shows that companies are using diverse sources to inform strategy and assess wellbeing effectiveness:

What data sets do businesses use to assess effectiveness?



Adopting a data-driven approach will become increasingly important for optimisation – especially as expectations and regulations evolve. New industry standards including ISO 45003 focuses primarily on managing psychosocial risks in the workplace, with the standard emphasising the importance of taking a proactive, data-driven approach to promote psychological health and safety and wellbeing.

Part 3

CHALLENGES

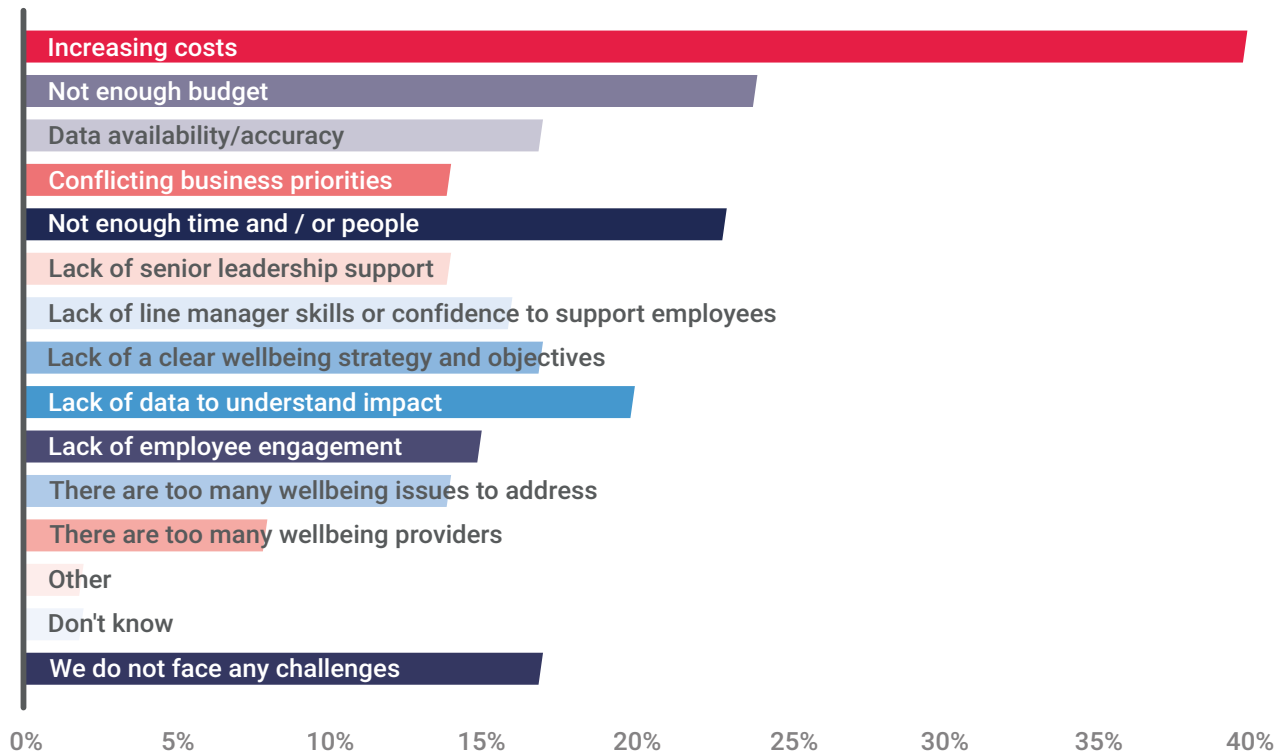


What are the current wellbeing challenges?

We are seeing companies report a range of conflicting challenges; increasing costs (40%) and not enough budget (24%). Compounding this issue, a fifth of companies are struggling with a lack of data to show impact and demonstrate ROI, and 17% struggle with data accuracy.

17%
of companies say they do not have any wellbeing-related challenges

What are the current wellbeing-related challenges?



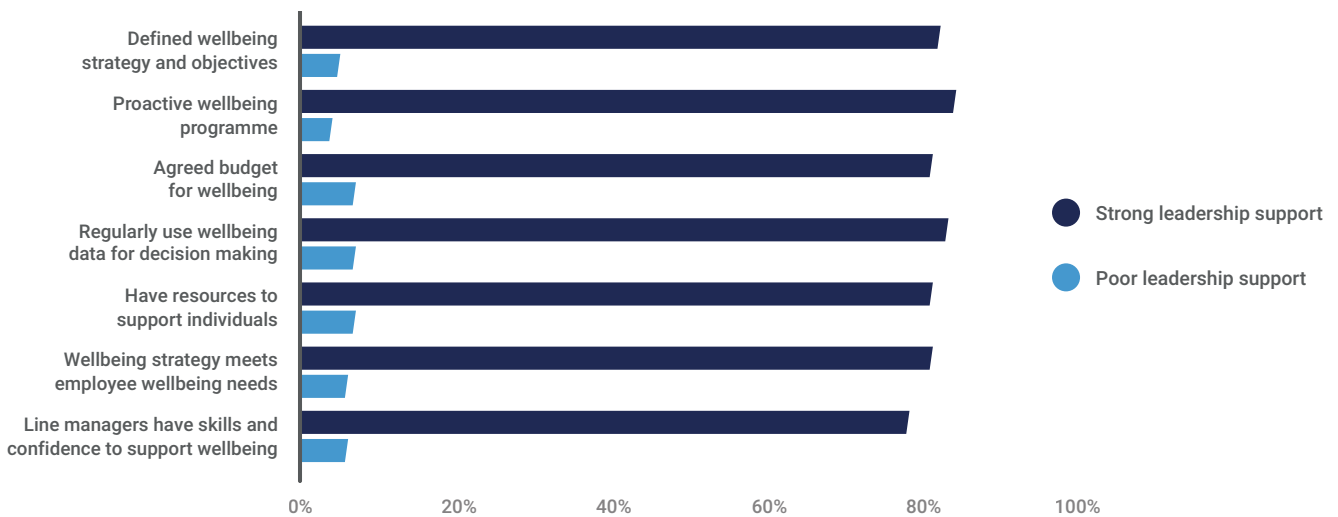
Only 14% of companies reported that they believe there are too many wellbeing issues to address, implying that the majority of companies either feel they have a resilient workforce or are confident they have an action plan for targeting any issues their employees may face.

Spotlight on: Leadership Support

Perhaps unsurprisingly, our research suggests that strong leadership is key to delivering a proactive and strategic wellbeing programme that meets employee needs and delivers a strong return on investment.

46% of organisations who reported having strong leadership support were clear on the objectives of their wellbeing programme – compared to just 14% who did not have leadership support.

Impact of senior leadership support for wellbeing



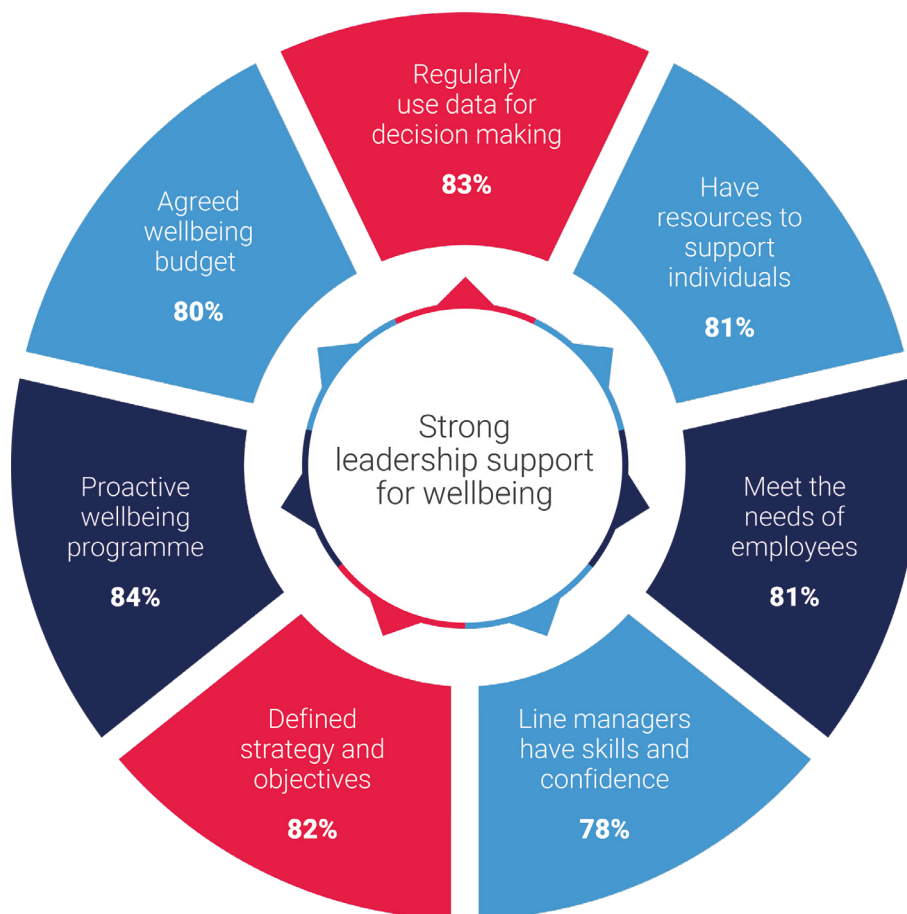
“Strong leadership support for wellbeing suggests that these companies will have clearer objectives for their wellbeing programme. It can also facilitate many of the other essential factors needed to deliver an impactful and sustainable wellbeing programme – including appropriate resources, budget, and the use of data to drive decision making.”

Suzanne Summerfield, Wellbeing Consultant



Spotlight on: Leadership Support

Large companies are more likely to have strong leadership support for their wellbeing programme; 59% of large organisations reported having strong leadership support with smaller organisations reporting only 44% (average all respondents 48%). Our research shows that support is not tokenistic, and is reflected in better resources, budget and the utilisation of data. There is a clear expectation of results, which invariably drives a more considered approach.



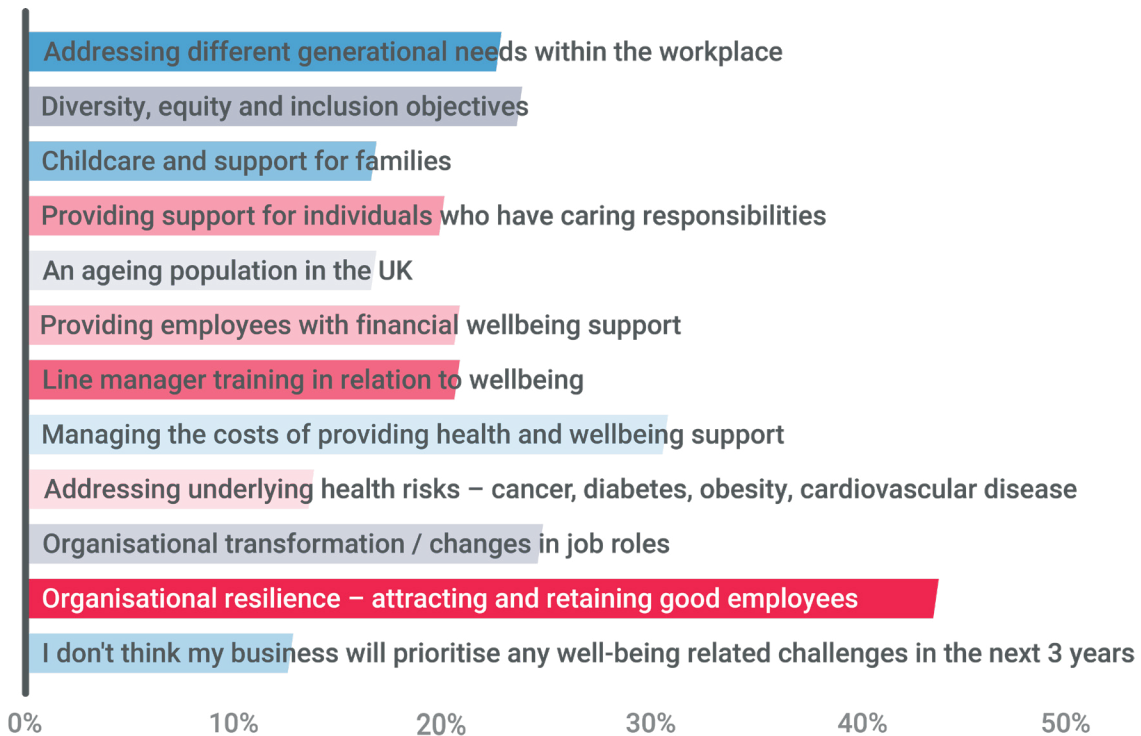
The impact of support goes beyond simply developing and implementing a wellbeing programme. The organisations that reported having strong leadership support also strongly correlated with having objectives for managing wellbeing around:

- > The management of underlying health risks (physical and mental) **65.4%**
- > Being an employer of choice **65.0%**
- > Wanting to improve organisational resilience **64.3%**

What are the future wellbeing challenges?

Overwhelmingly, the ability to attract and retain good employees was the biggest challenge HRDMs predict they'll face over the next three years. Nearly half (44%) of respondents said that this was a priority for them, with it being a particular priority for large organisations and companies based in London and Scotland.

What challenges do you view as a priority over the next three years?



“Companies need to take a proactive approach now to address emerging risks. A preventative approach is a pragmatic approach; investing in wellbeing interventions now could help businesses build and attract the resilient workforce of the future.”

David Skinner, Managing Director



Summary

Increasingly, organisations are recognising that investing in employee health, engagement and satisfaction contributes to improved productivity, retention, and overall business performance. However – in order to deliver maximum impact – wellbeing initiatives need to be integrated and aligned with business objectives and embedded as part of the culture of the organisation. And our research is clear; senior level support enables structural change and boosts effectiveness.

So – what should you do? Six steps to an improved wellbeing approach:

- > Invest in accurate data: Research employee needs and analyse the existing and emerging people risks within your workforce
- > Prioritise ROI: Select research-backed wellbeing initiatives with evidence of effectiveness in similar organisations or industries
- > Take a step back: Choose interventions that align with your values, mission, and culture
- > Embed wellbeing into culture: Promote a culture of care and support, with both the individual and employer taking ownership and responsibility
- > Focus on output: Align wellbeing objectives to business objectives, focusing on organisational resilience, productivity, and business profitability
- > Measure effectiveness: Define clear objectives with corresponding success metrics, so you can understand the impact and return-on-investment of their wellbeing programme

A preventative approach isn't just good for your people, it's good for your business. Not only can it help reduce future health risks, it can also have an immediate impact on employee retention, productivity and organisational resilience. By prioritising workplace wellbeing, employers can create a positive work environment where employees feel valued, supported, and motivated to perform their best. In the same way that we manage health at an individual level, wellbeing is the heart of sustainability. It's not a sticking plaster, it's the protection.

For more information on how PIB Employee Benefits can help support your wellbeing goals with our new elev8 proposition, please get in touch: contact@pib-eb.com

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Get in touch

For more information on the points raised, contact one of our employee benefits specialists.

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