



Employee Wellbeing Month: How a Thriving Culture Contributes to a Thriving Business

2021 Wellness Calendar Insights:
Employee Wellbeing Month



Report

Employee Satisfaction with Work
Culture and Sense of Wellbeing Across
the Country

Employee Satisfaction with Work
Culture and Sense of Wellbeing Across
the Virgin Pulse Population

Impact of Employee Satisfaction

Launched in 2009 by Virgin Pulse, Employee Wellbeing month has been celebrated annually every June as an opportunity to spotlight the importance of a fulfilling, supportive work culture. Throughout the month, Virgin Pulse and contributing partners have come together to share educational materials to support wellbeing-minded organizations on their mission to create happier, healthier employees. The impact of employee wellbeing is significant, expanding well past the individual employee, yet across the nation, companies are struggling to build and maintain a positive work culture.

Across the country, people are unhappy and dissatisfied by their workplace.

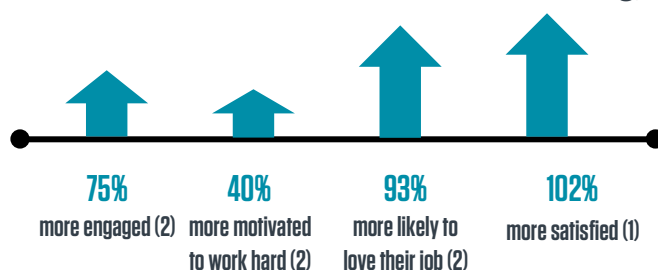
- **47% of employees** throughout the United States do not feel a sense of appreciation at work (5)
- **43% of employees** throughout the United States do not feel a sense of leadership(5)
- **60% of employees** throughout the United States do not feel a sense of wellbeing (5)
- **33% of employees** throughout the United States are not engaged at work (5)
- **37% of workers** do not believe their companies actively try to create a culture focused on employee wellbeing (2)

Low employee satisfaction has dangerous consequences, not only for the health and happiness of the individual employee, but for the company they are employed by as well.

Employee satisfaction is an essential opportunity for investment with nearly guaranteed results. Specifically, two metrics are particularly great predictors of the employee experience: the employee's pride (or lack thereof) in the workplace culture, and the belief in whether or not the company cares about its employee's wellbeing. In fact, employees rate their experience 102% higher when they work for an organization with a thriving culture (1). Similarly, engagement rises by 75% when employees believe that their leaders are actively trying to create a culture focused on employee wellbeing (2). When you combine the two and develop a workplace culture that supports employee wellbeing, you get a company where employees experience improvements in their physical health, stress rates, and engagement with work(8).

**“The single greatest advantage in the modern economy is a happy and engaged workforce”
-Shawn Achor (4)**

When employees believe they work for an organization with a thriving culture with leaders who care about their wellbeing, they are...



"Happiness raises nearly every business and educational outcome." - Shawn Achor (4)

Employee satisfaction and a positive work culture have a seemingly endless list of positive business outcomes that have been proven to be key indicators in productivity, employee retention, accuracy, sales, and more.



How are businesses doing across the country?

A research study published in 2019 by Speakap suggests that, on average, 45% of employees feel that they have a positive work culture at their company (3). Similarly, 40% of employees sense that their company cares about their wellbeing (5). While this is far too low considering the significance of these metrics, many studies show that employee satisfaction is on the rise, both across the nation and globe. It is becoming increasingly known amongst business leaders that companies must invest in their employees in order to be successful.

45% 40%

Positive Work Culture at Company

The Culture Factor: Improving Employee Loyalty & Relationships

Employee sense of Wellbeing

The O.C. Tanner Institute 2020 Global Culture Report

Wellbeing Programs: The Path to Success?

An annual survey of workplace health and wellbeing published by Virgin Pulse in 2019 found that 94% of American employees work for a company that offers a wellbeing program (a 30.5% increase from the year before) (6). Of these companies investing in such programs, 81% of leaders reportedly did so out of a belief that healthy employees drive employee engagement and 70% in an attempt to positively affect the culture at work (VP). These beliefs stem from proven results (6).

80% of employees voice that they feel better about their work culture thanks to wellbeing programs (7). The results extend past the employees' perception as well. In an effort to measure employees' perspective on health supportiveness in companies' culture, a tool derived from the University of Michigan's Work and Wellbeing survey was used. This tool, referred to as the Culture Score, was used in soon to be published research, involving data that spanned across 6,102 individuals and 18 companies, to show that culture has a statistically significant, positive association between both health and productivity outcomes. By quantifying a company's culture and its employee outcomes using the Culture Score, researchers concluded that a culture of wellbeing is fundamental to improved health, work engagement, and productivity.

Similarly, a research study published in 2018 by the Human Capital Management Institute in partnership with the Virgin Pulse Institute analyzed 49 client companies over the course of 12 years on 10 key productivity metrics (9). The study analyzed the impact and improvement of productivity before,

On average, a 10% point increase in the Culture Score is associated with a significant:

7%

Greater Work Engagement Score

0.4

Point reduction in Body Mass Index

4%

Lower Stress Levels

11.7%

Average Productivity gain
for VP clients studied

-34.8%

Attrition reduction for VP
program clients studied

8%

Annual decline in sick
days every year for up to
6 years

235%

Appreciation of stock
values for companies that
received high health and
wellness HERO scores

during, and after wellness program launch. The study found that on average, there was an 11.7% productivity gain for VP clients after program launch, equaling a \$7,700 productivity gain per full time employee (9). Similarly, the study found a -34.8% attrition reduction for Virgin Pulse program clients studied and an average of an 8% decline in sick days every year for up to 6 years.

These results reflect a similar trend identified in a 2016 report that analyzed the relationship between a public company's workplace health promotion (WHP) and their stock performance (10). The study used the HERO Employee Health Management Best Practices Scorecard in Collaboration with Mercer, also referred to as the HERO Scorecard. Which is a web-based inventory of WHP practices that ultimately scores companies on how well they implemented the scored recommended practices. The study found that the stock values of public companies who received high scores in corporate health and wellness appreciated by 235%, compared with the S&P 500 Index appreciation of 159%, over a 6-year simulation period (10).

A company's investment in an employee's health and wellness has a positive impact on the overall health of individual employees as well as on the company's culture, ultimately leading to positive business outcomes.

How Virgin Pulse is helping clients reach their full potential

Virgin Pulse clients are more successful at establishing a strong culture and earning the trust of their employees than businesses throughout the United States. To understand how the Virgin Pulse member population feels about their company's culture, results from the Virgin Pulse Member Satisfaction survey were analyzed. Averaging by client across the Virgin Pulse Book of Business, 60% of members are proud of their company's culture and 71% believe that their company cares about their wellbeing, 33% and 78% greater than the national average, respectively.

60%

Positive Work Culture at Company

2020 Virgin Pulse Member Satisfaction Survey

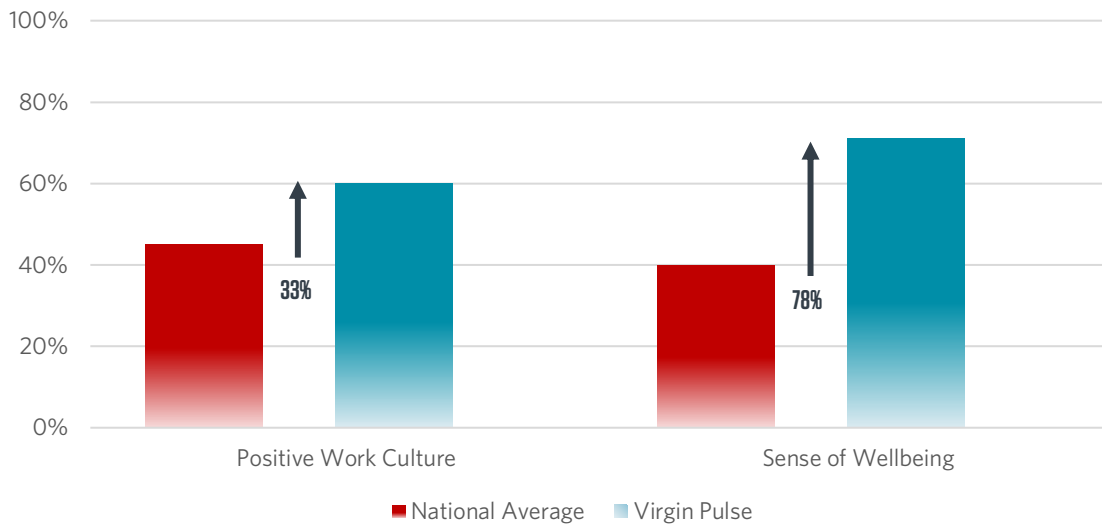
71%

Employee sense of Wellbeing

2020 Virgin Pulse Member Satisfaction Survey



Employee Satisfaction with Work Culture and Sense of Wellbeing: Virgin Pulse Clients vs. National Average



Of course, when first launching with Virgin Pulse, not all clients met or exceeded national averages. Even companies who struggle to establish a strong workplace culture and high employee satisfaction, scoring lower than the national average at time of launch, have showed improvements with Virgin Pulse. Among the ten clients who had the lowest rates of members positively rating their company culture and sense of wellbeing at work during their first year responding to the survey, employee satisfaction within these metrics rose by 27% by their most recent survey.

Employee Satisfaction is an opportunity for investment that should not be overlooked. It is not only directly linked to individual happiness and health benefits, but it also plays a significant role in business outcomes. For companies interested in arming themselves with the resources necessary to perform at their absolute best, Virgin Pulse has a suite of resources with proven success supporting clients increase their employee satisfaction.

Despite their difficulty establishing a strong culture at the time of launching with Virgin Pulse, the ten lowest-scoring clients improved their results by 27% by their latest survey results.

About Virgin Pulse



Focused on driving personalized behavior change and results for individuals and organizations around the world, the company delivers the industry's only fully integrated digital platform, with benefits navigation and live coaching to support global clients and members across the entire health, wellbeing and benefits lifecycle—from screening and assessment to activation, behavior change and the adoption of sustainable healthy habits. By helping employees thrive at work and in all aspects of life, Virgin Pulse helps change lives and businesses for good, across more than 190 countries. More than 4,000 organizations around the world, representing many of the Fortune 500 and Best Places to Work, rely on Virgin Pulse solutions to engage their workforces and drive their businesses forward.



Founded in 2014, the Virgin Pulse Institute is an evidence-based organization that conducts research and advances knowledge on workforce topics like health, wellbeing, and employee engagement. Reaching way beyond ROI studies, The Institute collaborates with leading researchers and other organizations to identify scalable, data-driven, consumer-centric solutions to the top workplace issues facing companies today.

About the Authors

Gabrielle Hummel has been a Jr. Data Scientist on the Virgin Pulse Insights team since 2019. Since joining Virgin Pulse, she has led and collaborated on a variety of research projects and produced reports on topics such as Location and Wellbeing, Employee Satisfaction and Culture, and more. She has a background in data science, political analysis, and leadership studies.

David Ho is a Data Science Manager at Virgin Pulse, and has been part of the Insights team for six years. He has led various research analysis and modelling projects, with an educational background in Computer Science and Psychology.

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