

The IMPORTANCE of **WELLBEING** and **EMOTIONAL HEALTH**

What is wellbeing?

Wellbeing as a whole is an area of growing concern for employers – and over the years, its definition has expanded. Today, financial, social and emotional health are all included under the wellbeing umbrella alongside physical health.

Wellbeing can be defined as 'a state of balance that consists of having the appropriate resources, opportunities and challenges needed to achieve optimal health and performance for the individual and the organisation'. This is a definition we have used across Aon to encapsulate the ingredients and outcomes of employee wellbeing.

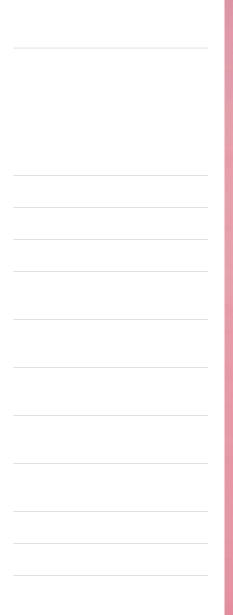
By putting in place initiatives and interventions to address the four components of wellbeing – emotional, physical, financial and social - employers can deliver significant organisational improvement.

When we carried out our Financial Health Survey in 2018, it became clea that poor financial health is closely linked to emotional wellbeing and has a significant impact on people's emotional wellbeing, especially among younger employees.

As a result, we decided to carry out our first global Emotional Health Survey, which was conducted in the first quarter of 2019.







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What is emotional health?

Robust emotional health is a solid foundation on which all other aspects of wellbeing can be built.

The World Health Organisation states that 'Good mental health is related to mental and psychological wellbeing', while the American Psychological Association says that 'Emotional health can lead to success in work, relationships and health'.

A number of issues are driving mental health problems today, among them divorce and separation; the 24/7 'always on' culture and its effect on sleep; and the growing number of people juggling caring responsibilities with working.

The impact of these issues on an individual's emotional wellbeing can manifest itself at work as well as at home. But while 48% of workers have experienced poor mental health in their current job, only half of those have talked to their employer about it.

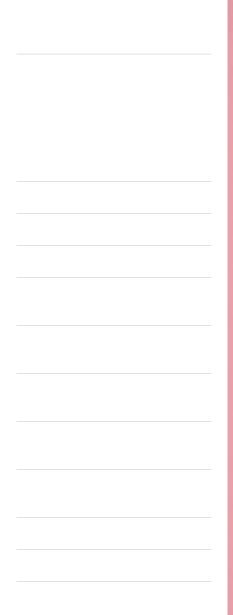
For employers, the cost of this can be significant. Forbes states that "More than 300 million people suffer from depression globally. Depression and Anxiety cost the global economy an estimated \$1 trillion each year in lost productivity"

Perhaps as a result of these consequences, there is an increasing awareness of the impact of stress on employee productivity, absence and engagement, and a resultant willingness by employers to take action. This is leading to an increase in programmes addressing emotional health, as we will see in the survey findings.

We hope you find the results interesting.







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About the survey

The survey was carried out in the first quarter of 2019.

168 respondents took part. The vast majority of the respondents (89%) work in HR, with 7% in finance roles and 4% responsible for risk. Organisations headquartered across 10 countries participated.

78% of those taking part include 'wellness and wellbeing' among their areas of responsibility. This in itself is worth noting, as a few years ago' wellness' and 'wellbeing' were not terms that would have commonly have been used within job roles. 74% look after medical benefits, 65% are responsible for risk benefits – for example, life insurance or disability cover – and 60% manage retirement benefits.

62% of firms represented operate in 16 or more countries, and 46% of respondents are responsible for international locations outside their home country. For 47% of organisations in the survey, at least half of their employees are outside the country where they are headquartered.

54% of participating firms have 10,000 or more employees, with a quarter having more than 50,000. In total, the survey covers 2.7m employees.

17 industries are represented. 19% of the respondents represent technology and communications businesses, with financial services companies making up 17%. 10% are manufacturing companies, with the remainder covering a broad range of industries, including food, agribusiness and beverage companies, pharmaceuticals and chemicals, and professional services.













KEY FINDINGS

What did the survey disclose?



have or are working towards a corporate employee wellbeing strategy



but only 35% of organisations have a global emotional wellbeing strategy

OF EMPLOYERS as one of the top three drivers of overall employee wellbeing



85% of respondents

despite this, 10% of business leaders are thought to have little or no understanding of emotional health



DO NOT HAVE

sufficient budget to put in place the emotional wellbeing



68% of organisations

have no standard practices to assess indicators of emotional wellbeing



in 71% of organisations

emotional wellbeing programmes are used by just 25% or less of employees



the utilisation or success of their emotional wellbeing programmes





WELLBEING STRATEGIES

58% of those surveyed report either having a corporate wellbeing strategy currently or actively working towards one. This – although covering a different survey sample – compares with just over a third (34%) who said the same in our 2018 Financial Wellbeing Survey.

This varied slightly by sector; respondents in the retail industry are most likely to have/plan to have a corporate wellbeing strategy (83%) and those in the food industry the least likely (33%). 51% of those with fewer than 10,000 employees have or are working on a strategy, compared to 78% of those with 100,000 or more employees.

Those with operations in more than 50 countries were more likely (65%) than most to have a corporate wellbeing strategy.

45% believe they will have a corporate wellbeing strategy in place in the next three years.

Putting in place a strategy to focus on wellbeing has recognised benefits. In a whitepaper published in 2018, the UK's Chartered Institute of Personnel and Development

(CIPD) stated that "Good health and well-being can be a core enabler of employee engagement and organisational performance".

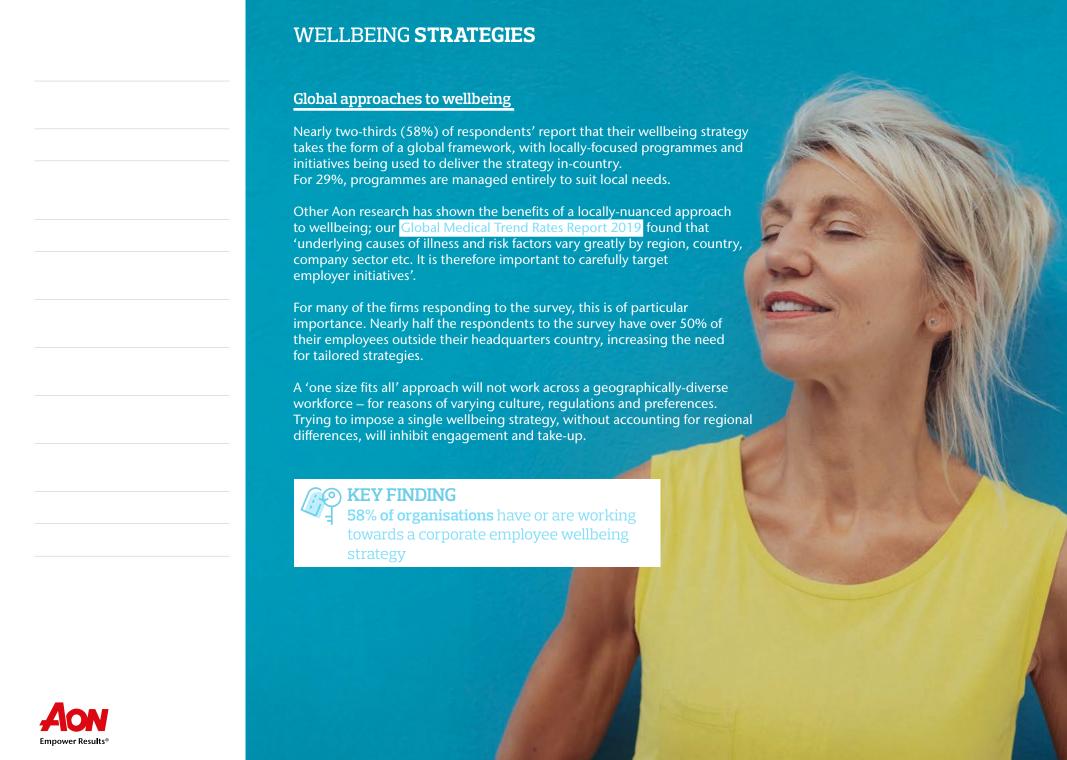
And as Aon's 2018 Global Trends in Employee Engagement Report noted, this can have a direct impact on performance: a five-point increase in employee engagement levels can correlate to a 3% increase in corporate revenue.

It is probably not surprising, then, that engagement is one of the key objectives for firms with wellbeing strategies. 91% cite 'improving employee engagement' among their main corporate objectives for their strategy. 90% want to 'ensure employees are physically and mentally healthy', while 73% are focused on improving productivity and safety.

winterestingly, 'reducing company medical costs' is the lowest-ranked of all the drivers, with 40% citing this as their main objective. Not surprisingly, though, this is far higher in countries with less comprehensive state healthcare provision, such as the US, where 82% cite it as a driver.







TACKLING **EMOTIONAL HEALTH**

The vast majority of survey participants – 80% – report that their wellbeing strategy includes an emotional health component. This is even more likely to be the case in organisations of over 100,000 employees, where 86% report an emotional component to their wellbeing strategy, and in the Americas, where 100% say the same.

This is good news, but when it comes to the details of the strategy, the picture is not quite so positive. When asked how familiar their employees are with the firm's emotional health strategy, the majority (48%) believe that employees have an 'awareness of the phrase "Emotional Wellbeing" but do not know what the component parts are'. 27% are aware of the components of the emotional wellbeing programme but have little practical experience of specific initiatives.

18% are believed to have low or no understanding of emotional wellbeing within the organisation, while just 6% are thought to have good awareness of emotional wellbeing and experience of specific initiatives.

Some regions are more positive here than others, with 14% of respondents from the Nordics reporting that their employees have good awareness of emotional wellbeing and the programmes offered. Similarly, financial institutions and the energy industry (11% each) have higher confidence in their employees' understanding and awareness of emotional wellbeing programmes.

The same question was asked about leadership. 41% of leaders are believed to be aware of the components of the emotional wellbeing programme but have little practical experience of specific initiatives. 36% of respondents believe leadership has an awareness of the term but do not understand the component parts, while 14% are thought to have good awareness.

Across the survey, 10%, rather worryingly, are believed to have little or no understanding of emotional health. This is even more evident in Spain, where 33% report leaders with little or no understanding, and Germany (29%).



KEY FINDING

80% of wellbeing strategies include an emotional health component, but 10% of business leaders are thought to have little or no understanding of emotional health





TACKLING **EMOTIONAL HEALTH**

The employer's role in emotional wellbeing

More encouragingly perhaps, 96% of respondents believe the employer plays a key role in supporting their employees' emotional health. 55% agree with the statement that 'We believe in emotional wellbeing and provide employees with appropriate support in this area where it makes sense to do so', while 41% recognise the importance of emotional health, although not providing any support of their own.

6% do not see a business case for investing in emotional wellbeing in terms of a payback in improved engagement, productivity or business results. 2% believe that emotional health is the 'personal responsibility of employees, with no role for an employer to play'.

The US, where 77% agree with the statement 'We believe in emotional wellbeing and provide employees with appropriate support in this area where it makes sense to do so', and Ireland (80%), are particular proponents of emotional health. 83% of organisations with over 100,000 employees say the same.

Sector-wise, 75% of those in the food industry and 63% in the technology sector believe in and support emotional health initiatives. Retail employers (33%) are least likely to agree, and are the sector most likely to report that while emotional wellbeing is important to them, they do not provide any current support.

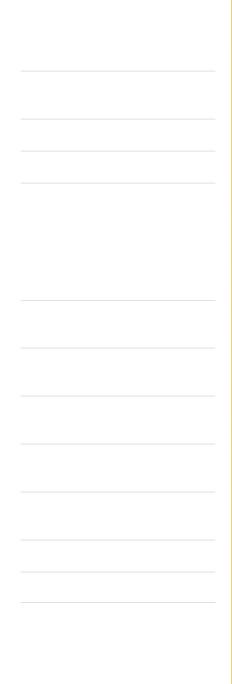


KEY FINDING

96% of respondents believe the employer plays **a key role in supporting their employees' emotional health**







TACKLING EMOTIONAL HEALTH

Providing emotional health support to employees

Exploring this more deeply, the survey asked respondents what role they believe the employer should play in specific areas of emotional health support.

In terms of day-to-day support, the majority (64%) think that the employer should have an 'educational role and/or provide low cost support programmes'. 21% believe they should provide employer-funded programmes to ensure that day-to-day emotional health is not a concern for employees. 14% believe the employer has no role or responsibility for day-to-day support.

Employers are more likely to believe they have a role to play when it comes to stress-related illness; 54% believe that they should 'provide employer-funded programmes to ensure this is not a concern for employees'. 38% think that the employer has an educational role, or should provide low-cost support programmes; just 9% believe the employer has no role or responsibility here.

When it comes to support for relationship problems, 48% believe that the employer should provide education or low-cost support. 32% think the employer has no role or responsibility to help, and 20% think that employer-funded programmes should be provided to remove this as a potential stressor.

Health issues, perhaps unsurprisingly, are where respondents see the employer providing the most support; 61% believe that employer-funded programmes should be provided, with just 3% believing there is no role for the employer here. 36% think they should provide educational and low-cost support.

Most see employers having an educational role when it comes to emotional health awareness: 53% believe the employer's role is to provide educational support or low-cost support programmes. 32% think employer-funded programmes should be provided, while 15% think the employer has no role to play here.





STRATEGIES for **EMOTIONAL WELLBEING**

10,000 employees (24%). There are also some interesting industry variations, with 56% of those in the energy industry reporting an emotional wellbeing strategy, compared to just 20% in the pharmaceutical sector.

Across the board, just over half (52%) plan to have one in the next three years. Again, there are some variations by sector; perhaps not surprisingly, given their lack of current strategy, pharmaceutical industry respondents are most likely to plan an emotional wellbeing strategy within the next three years (73% reporting this), while geographically, Germany (86%) and Spain (67%) are more likely than average to anticipate having a strategy in place.

Among those with a strategy, 62% report that it is globally structured, with local or regional influence. For 31%, the strategy is managed entirely to meet local needs. Those headquartered in the UK and US are particularly likely to report that their strategy is globally structured with local/regional influence (71% and 88% respectively).

As we noted earlier, it is important that any programmes tackling wellbeing – emotional or otherwise – are locally-influenced, so that country or regional preferences and trends can be addressed. This importance grows where firms are geographically diverse, with large numbers of employees outside their home country. In terms of programmes' structure, components and the way they are communicated, an element of local tailoring is vital.

Having central oversight and governance of the strategy, though, is also important. A degree of centralisation gives the employer greater insight, enabling them to understand engagement rates, rationalise providers and standardise approaches to benefits purchasing and pricing. As a result, they can fine-tune their approach, delivering a data-driven strategy that addresses employee needs.



KEY FINDING

only 35% of organisations currently have a global emotional wellbeing strategy

Do you have a emotion place today?	onal wellbeing strategy	Will you have a emotional wellbeing strategy in place in three years time?				
All	Yes [] No	All				
58	93	87 33				
Financial Services		Financial Services				
9	16	16 5				
Pharma		Pharma				
3	9	11 [3]				
Technology Technology						
15	14	18 [-2]				

STRATEGIES for **EMOTIONAL WELLBEING**

Drivers and objectives for emotional wellbeing programmes

We have explored the drivers for overall wellbeing strategies; the survey also looked at corporate objectives through the lens of emotional health, asking respondents about their main objectives for pursuing a global emotional wellbeing strategy.

91% put in place an emotional health strategy to improve employee engagement and support their talent strategy. For 90%, ensuring employees are emotionally healthy is a key driver. Improving productivity (69%) and absenteeism rates (52%) were also cited. Interestingly, the least number of respondents (40%) see reducing company medical costs among their main objectives.

Budget is the biggest obstacle to emotional wellbeing strategies. When asked why they do not have a strategy, 80% say that it they believe in emotional wellbeing but do not have the budget to invest in programmes. This is particularly pronounced in the UK, where 93% report lack of budget being a barrier, and Ireland (100%).

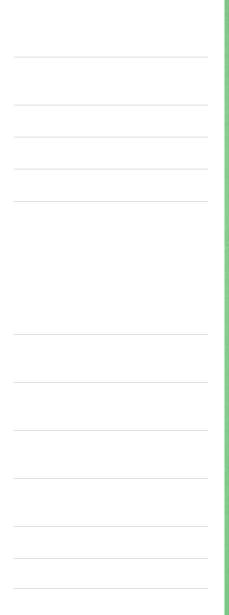
19% do not have a strategy because emotional wellbeing is not a priority, while 5% do not believe that the benefits such a strategy would bring justify the cost and effort involved.



KEY FINDING

80% believe they do not have the budget to put in place the emotional wellbeing strategies they want





STRATEGIES for **EMOTIONAL WELLBEING**

Current approaches to emotional wellbeing

When we look at organisational approaches to employee health, and the implementation of tactical programmes to address emotional wellbeing, we can see some interesting nuances.

The vast majority of respondents (81%) report that their firm has developed and enforces time-off policies, and protocols that promote cycles of work and rest/renewal. Those with more than 50,000 employees (100%) are more likely than average to report this, as are those in the Nordics (93%) and in the retail sector (100%).

It is not surprising, perhaps, that this is a policy area many employers have implemented when this pattern of working is often built in to firms' policies, and enforced by legislation.

Respondents were also asked whether there are established standard practices to assess employees' engagement with work, burnout, turnover intent, satisfaction, emotional fitness or other indicators of emotional wellbeing. Two-thirds (68%) reported that there are no such practices in their organisation.

A third (32%) have introduced them. Those with operations in five or fewer countries are more likely to have such practices (51%), as are those headquartered in Denmark (80%). Those in the UK and US are most likely not to have done this, with 84% and 82% respectively reporting no such practices.

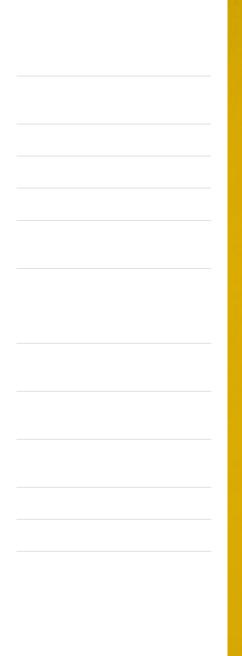
Globally, many firms may be imposing some sort of rest/renewal cycle, often as required by regulation. But when it comes to the next step – identifying and acting on emotional health issues and potential drivers of emotional ill-health – they are less proactive.



two-thirds of organisations have no standard practices to assess indicators of emotional wellbeing







GLOBAL APPROACHES to **EMOTIONAL WELLBEING**

There is, then, an inconsistency between employers' recognition of emotional ill-health, its importance and the valuable role the employer plays, and organisations' proactivity in tackling emotional wellbeing in practice. This inconsistent approach is echoed in the findings around global prevalence of emotional wellbeing programmes.

Respondents were asked what percentage of the countries they operate in offer some sort of emotional wellbeing programmes to employees.

Only a quarter (25%) offer programmes in 75% or more of their locations.

Nearly half (49%) report programmes in 25% or less of their operating countries. This figure increases to 63% among organisations with fewer than 10,000 employees and 61% in Eastern Europe.



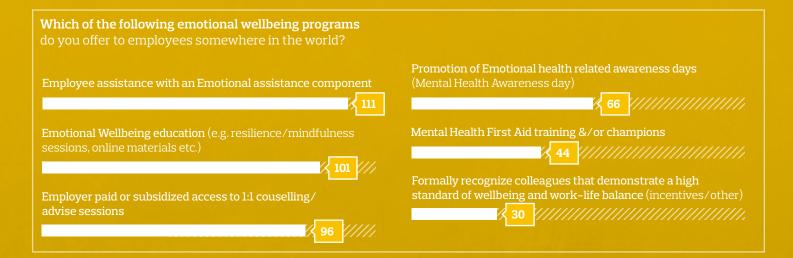
KEY FINDING

half of organisations offer emotional wellbeing programmes in less than 25% of their locations

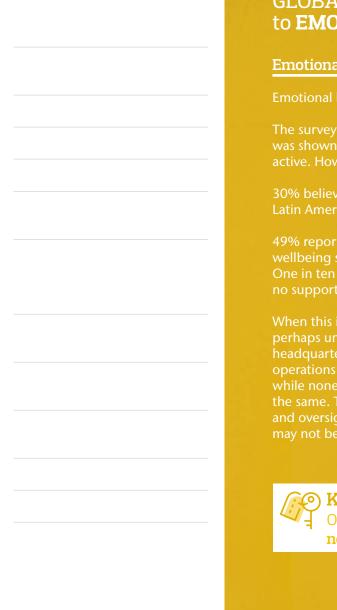
Where programmes are offered, an Employee Assistance Programme (EAP) that includes an emotional wellbeing assistance component is mostly likely to be provided; 66% offer this, rising to 96% in organisations of between 50,000 and 100,000 employees and to 84% in the UK and 82% in the US.

60% provide some sort of employee wellbeing education – resilience or mindfulness sessions, for example, or online training materials. 57% offer employee-paid or subsidised access to one-to-one counselling or advice sessions. 39% take the opportunity to promote emotional health-related awareness events; Mental Health Awareness Day, for instance.

A quarter (26%) provide mental health first aid training and/or appoint mental health first aid champions. 18% formally recognise colleagues who demonstrate high levels of wellbeing and work/life balance.







GLOBAL APPROACHES to **EMOTIONAL WELLBEING**

Emotional wellbeing by region

Emotional health and wellbeing, then, is clearly better-recognised and addressed in some regions than others.

The survey explored which regions within the survey show the most interest and activity in emotional wellbeing. Europe was shown to be most engaged, with 40% of respondents saying their European operations were most interested and active. However, 10% of European organisations report offering no emotional wellbeing support.

30% believe that North America and Canada are most interested/active. 10% say the same about Asia-Pacific and 9% about Latin America, while just 5% claim that the Middle East is their most active region.

49% report that their Middle Eastern operations offer no form of emotional wellbeing support, with 43% saying the same of Latin America.

One in ten firms report that their European operations provide no support around emotional wellbeing.

When this is viewed through the lens of each of those regions, perhaps unsurprisingly, some variances can be seen. 42% of those headquartered in EMEA, for instance, believe that their Asia-Pacific operations offer no form of emotional support to employees, while none of those headquartered in the Asia-Pacific region report the same. This illustrates the need for close global understanding and oversight of local programmes, as the view from the centre may not be the same as that on the ground.

KEY FINDING

One in ten European organisations **offers no emotional wellbeing support**





COMMUNICATION and UPTAKE of **EMOTIONAL WELLBEING** STRATEGIES

The survey explored how emotional wellbeing programmes are communicated, and how well they are used.

The majority of organisations take a digital approach to internal communications about emotional health, posting information on their employee portal or intranet site; 69% report doing this. 48% email information to employees, while 40% use poster campaigns in communal office areas. 33% include information on emotional health programmes as part of all-employee communication sessions.

Just over a quarter (28%) put out targeted communications from managers; unsurprisingly, perhaps, this more personal approach is far more prevalent (46%) among those operating in in five or fewer countries. Using an employee portal or intranet is particularly common in the US, where 95% report doing this. Email is popular in Eastern Europe, where 65% use

In spite of these communication efforts, uptake of emotional health programmes could be better. 71% report that emotional health support is being used by less than 25% of the eligible population. Just 5% believe that 76% or more are making use of the programmes on offer.

This lack of engagement is particularly pronounced in certain sectors. In the pharmaceutical and food industries, for instance, 87% and 92% respectively report that less than 25% of employees make use of emotiona wellbeing support.

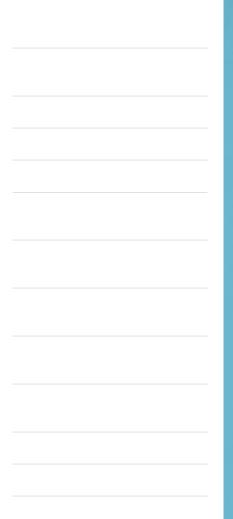
There are regional variations too; in the US, 86% believe that 25% or fewer make use of the support provided. 88% of Swiss employers and 86% of German ones say the same.



KEY FINDING

In 71% of organisations, **emotional** wellbeing programmes are used by just 25% or less of employees





MEASURING and MONITORING **EMOTIONAL WELLBEING** STRATEGIES

The value achieved by putting in place emotional wellbeing strategies and initiatives is, of course, dependent on their uptake and their impact on key metrics.

Any employee wellbeing benefit or programme represents a significant investment in employer time and money. Yet when it comes to emotional wellbeing issues and initiatives, many employers are failing to seek employee views on emotional wellbeing issues; views which could help to inform their approaches and target their investment.

Currently, only 29% of organisations gather feedback from employees on emotional wellbeing topics – meaning that 71% do not take employee views, experiences or preferences into account when planning their emotional health initiatives.

Although many organisations are yet to take action, there is clearly a recognition that doing this is valuable, as 67% of those surveyed plan to start seeking employee feedback over the next 1-3 years.

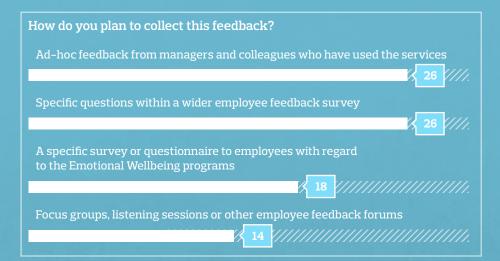
For 53%, this will take the form of ad-hoc feedback from managers and colleagues who have used the emotional health support or services provided. The same number aim to include specific emotional health-focused questions in a wider employee feedback survey. 37% plan to issue an employee survey specifically about their emotional wellbeing programmes, while 29% aim to put in place focus groups, listening sessions or other employee feedback forums.

Respondents were also asked how they monitor the utilisation and success of their emotional wellbeing programmes. 29% report that no monitoring is currently done, 22% collect ad-hoc feedback from managers and colleagues who have used the service, and 10% include specific questions on emotional wellbeing support in wider employee surveys. 9% issue a specific survey or questionnaire about their emotional wellbeing programmes. Just under a third (31%) receive regular reporting from their vendor or provider.

Those operating in six or fewer countries are more likely to report that they do no monitoring of emotional wellbeing

Those operating in six or fewer countries are more likely to report that they do no monitoring of emotional wellbeing programmes (37%), as are those in the pharmaceutical industry (47%), in Spain (67%) and Eastern Europe (43%). Those in the Americas (52%) and in organisations of 100,000+ employees (56%) are most likely to receive reporting from their providers.

Failing to monitor take-up, engagement and impact of the initiatives implemented means organisations are missing opportunities to save money, increase efficiencies and improve their employees' emotional health.





KEY FINDING

29% do not monitor the utilisation and success of their emotional wellbeing programmes



LOOKING to the FUTURE of **EMOTIONAL HEALTH** and **WELLBEING**

Respondents were asked whether they think that emotional wellbeing will become more or less of a priority for their organisation in future. 59% believe it will be accorded more attention within the coming year, while 81% believe it will be a bigger priority in the next three years.

In the Americas, 96% expect emotional wellbeing to be a bigger focus within the next three years, while in organisations of over 100,000 employees, 67% expect it to be a higher priority within twelve months.

Looking in more detail at these aspirations, emotional wellbeing education is the most likely to be delivered, with 74% having definite plans to implement provision of this in major countries of operation. 58% plan to promote emotional health-related awareness days, while 54% intend to provide employee assistance programmes that include an emotional wellbeing component.

46% plan to implement employer-paid or subsidised one-to-one counselling or advice sessions and 40% aim to offer mental health first aid training and/or the implementation of mental first aid champions







81% believe that emotional wellbeing will be a higher priority in the next three years

CONCLUSIONS

Emotional wellbeing is clearly a topic that is growing in importance – for employers and employees alike. 80% of multinationals currently have an employee wellbeing strategy that includes an emotional health component, while 76% believe that their employees have an awareness of emotional wellbeing.

The recognition that good emotional health drives employee engagement, supports talent strategies and can help to maintain an emotionally robust workforce is driving increasing numbers of organisations to prioritise emotional wellbeing. Half of all respondents plan to have a global approach to emotional health within the next three years.

The employer role in this is key; 91% of participating organisations believe they should support employees with stress-related illness. Most currently see their role here as primarily an educational one, and we expect to see more organisations offering education, counselling and mental health first aid support within the next three years.

While intentions are strong, however, there are improvements that can be made to firms' implementation of emotional wellbeing strategies.

Over 70% of the employers we surveyed believe that emotional health support is being used by less than 25% of the eligible population. Take-up – and approaches – can be inconsistent between regions, and organisations face challenges around measurement and monitoring of programmes, something which is vital if approaches are to be reviewed and fine-tuned, maximising return on investment

Our advice to employers wishing to implement or improve their own emotional health strategy would be firstly, to take a structured approach. Harness the power of the data at your disposal – through current absence and claims information – to prioritise and inform your initiatives. By looking at data regionally and by country, as well as globally, you can implement the most appropriate benefits and services. Ensuring your approach is nuanced to the needs and preferences of your locations is vital in securing local buy-in and utilisation.

Take a strategic approach, though. Globally-structured programmes that include local or regional influence will give you the control you need for efficiency and economies of scale (as well as providing you with invaluable data and insight). Balancing central oversight with local tailoring provides the optimum configuration for global emotional wellbeing strategies.

Communicate your approaches to emotional health in a way that resonates with and engages your employees. Again, this will differ from region to region and country to country; measure and monitor participation and engagement levels in order to identify what works.

Above all, employers should not be afraid to address emotional health. There is a growing openness around all aspects of emotional wellbeing, which employers should embrace and harness. A culture of openness will help to remove the stigma that can surround emotional ill-health, and enable employees to make the most of the programmes you offer.

Good emotional health can have a huge impact on your employees. The employer plays a key role in nurturing and maintaining this emotional health among their workforce. There are many compelling reasons for implementing an emotional wellbeing strategy, and many tactics organisations can use; we hope this survey has given you an insight into ways you can improve your own approach.



NEED ADVICE?

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