Optum

Navigating the top wellbeing challenges for today's employers

Insights from the Optum Wellbeing in the Workplace survey

About this report

In this year's Wellbeing in the Workplace (WIW) survey, Optum asked employers to identify the greatest challenge they face for the success of their health management and wellbeing (H&W) strategies. Whilst most survey questions are multiple-choice, this question was open-ended, allowing participants to answer in their own words. Amongst their responses, 5 critical issues surfaced again and again:

- **Financial pressures**
- **Supporting mental health**
- **Meeting the diverse wellbeing needs of today's workforce**
- **Employee motivation and engagement**
- **Digital innovation and integration**

This report examines the top challenges in detail – with global and regional trends – and the ways employers are pivoting to respond.

Study background

Respondents included health benefit and wellness programme decision-makers from 405 international companies located in:

APAC (Asia-Pacific)

EMEA (Europe, Middle East)

LATAM (Latin America)

US (United States)*

This report classifies companies as:

Large: 3K to 9.9K employees

X-large: 10K to 49.9K employees

Jumbo: 50K+ employees

Financial pressures



About 20% of survey participants mentioned financial constraints, due to global economic instability or uncertainties within their own country, as the greatest challenge to success of their H&W strategies. Inflation remains uncomfortably high for many businesses, and the increased cost of goods, services, and healthcare adds pressure to companies recovering from recent losses.

Providing H&W programmes requires a significant investment and half of employers globally (51%) cite rising costs as a key influence on benefit strategy.[1] It's more imperative than ever for wellbeing initiatives to deliver value, and employers told us they are concerned about balancing employee needs and programme costs so that both parties benefit. A recent survey reported **89% of global HR leaders consider improving the financial health of their employees as the top priority of their employee benefit and wellbeing programmes.[2]**

> "Companies need to provide benefits to their employees, but at the same time they need to consider the economic situation of the company and choose better benefits policies."
>
> **– Employer,** Belgium

HR leaders know it's not just employers who are feeling financial pressure. The cost-of-living crisis is also squeezing employees. The proportion of workers who say they have money left over at the end of the month has declined from 47% in 2022 to 38% this year.[3] Employees are financially stressed and it's affecting their mental health, hindering job performance, and reducing overall productivity. Another study showed 77% of workers have experienced financial stress in the past 12 months and over half (54%) said it impacted their productivity at work.[4]

The tremendous impact of financial stress on employees has led to a growing interest in financial wellbeing support and raised the priority on addressing financial health for employers. **Last year, financial wellbeing programmes ranked sixth in popularity. This year, they tied with health risk assessments as the most popular H&W offering.**

> "The biggest challenges are aligning needs with costs in a way that becomes beneficial to both parties."
>
> **– Employer,** Brazil

When planning financial wellbeing offerings, employers need to consider their employees' greatest financial stressors as well as areas where the company can provide the most help. We presented respondents with a list of financial stressors and asked them to rank their employees' top 3. Globally, 'finding resources for large purchases' ranked at the bottom last year. This year, it rose to the top and tied with 'meeting daily living expenses.' 'Saving for retirement' was the third greatest stressor. At a regional level, the top three financial stressors vary.

Top financial stressors for employees

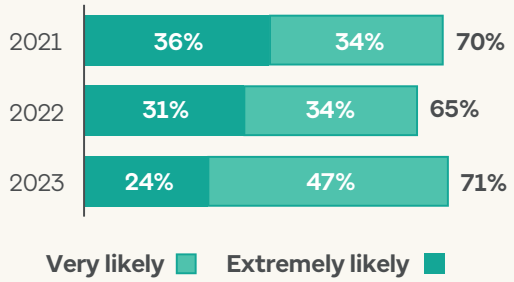
	APAC	EMEA	LATAM	US
1	Resources for large purchases	Daily living expenses	Daily living expenses	Saving for retirement
2	Planning for life events	Resources for child care	Saving for retirement	Managing and paying off debt
3	Healthcare and prescription costs	Managing and paying off debt	Managing and paying off debt	Daily living expenses

When it comes to areas where employees need the most help, companies most often ranked 'saving for retirement' first and 'planning and budgeting' second.

Consistent with last year, 57% of employers say they address financial health in their H&W strategies, slightly fewer than those addressing other wellbeing aspects (66% physical health, 64% mental health, 63% social health). Amongst those who aren't currently addressing financial health, most (71%) are likely to do so in the future. Whilst the number is about the same as previous years, the degree of certainty has declined slightly. More employers (47%) than in previous years (34%) are 'very likely' to address financial health in the future whilst fewer are 'extremely likely.'

Likelihood of addressing aspects of financial wellbeing in future

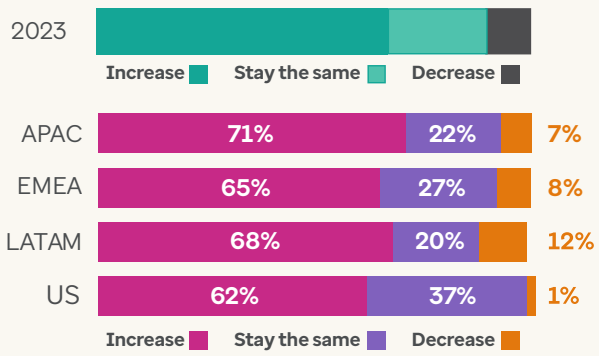
(among those not addressing)



In the face of escalating costs and diminishing purchasing power, companies must make difficult choices, but they remain committed to offering H&W programmes. Evidence suggests companies view health and wellbeing programmes as a critical part of their employee value proposition; 97% of companies we surveyed believe these programmes help them retain and attract workers. In addition, 2 in 3 employers (67%) believe their company's proportionate spending on H&W offerings will increase over the next 3 years. US companies (37%) are significantly more likely than LATAM (20%) and APAC (22%) companies to believe proportionate spending will remain the same in that timeframe. The trend also holds true for EMEA.

Change in H&W Program Spending

(Next 3 years)

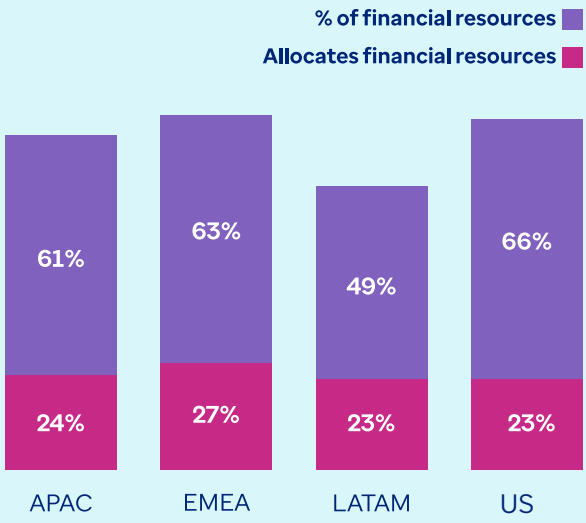


LATAM is less likely to fund financial health offerings

Survey results show that globally, almost 60% of companies allocate resources to financial health, and on average, a quarter of overall H&W funding goes to these offerings. However, companies in LATAM are less likely to commit financial resources to financial health offerings than other regions. This may be due to poor financial inclusion in the region. According to Strands, 79% of Latin Americans have access to only basic financial products and services and access to loans, insurance, or investment products is limited to just 3 out of 10 individuals.[5] It's possible that employers may be more willing to apply funding to financial programmes once Latin Americans have better access to financial tools.

Financial resource allocation for H&W strategy

Financial health



Supporting mental health



As in previous years, companies listed mental wellbeing support amongst their greatest challenges. Several companies recognised mental health stigma as a factor (particularly in EMEA) that inhibits uptake of services. Some respondents said their executive leadership doesn't understand the importance of supporting mental wellbeing in the workplace. Others noted shortcomings in local mental healthcare. Stress related to workloads, financial debt, and family problems as well as sleep disorders associated with night shifts were cited as major mental wellbeing concerns.

> "Our greatest challenge is uptake from employees especially around mental health.
>
> Us Brits still aren't as comfortable with talking therapies or health prevention."
>
> — **Employer,** England

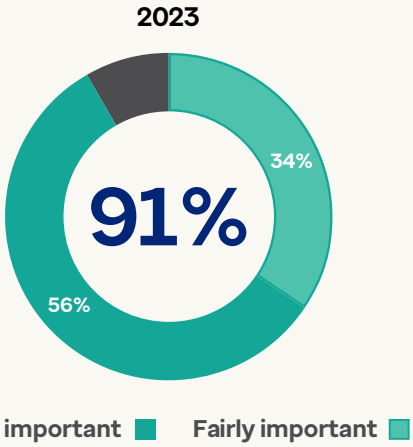
Generally speaking, our survey found that most employers recognise the importance of mental wellbeing and appear to prioritise it equally with physical health. As one employer in Hong Kong stated, "If employees have good physical, mental, and financial health, their wellbeing carries over into their company performance." Almost 2 in 3 companies (64%) address mental wellbeing in their H&W strategy, about the same number (66%) as those addressing physical wellbeing.

> "I believe the greatest challenge is to change CEOs' and management executives' perspective about both mental and physical health, and its importance in the workplace."
>
> — **Employer,** Argentina

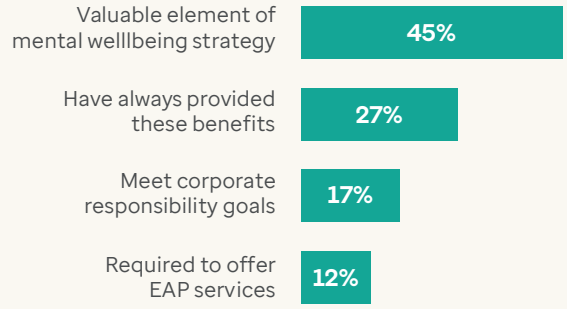
Almost a third (31%) offer employee assistance programmes (EAPs), and in the US, the number doubles to 65%. Amongst those offering EAPs, 45% consider it a valuable element of their mental health strategy and almost all (91%) believe making EAP services available is important. The majority (86%) are satisfied with their EAP offering, but 58% might consider switching if they found one that provided a better employee experience. Globally, half (50%) of companies reported higher utilisation of EAP services than anticipated.

Among those currently offering EAP:

Importance of EAP availability to employees



Top reasons for providing EAP services



Mental wellbeing support declined in APAC

Survey results show a downward trend in support for mental wellbeing in APAC. Fewer companies (15%) are addressing all 4 aspects of wellbeing (physical, social, mental, and financial health) in their H&W strategies than last year (28%) and mental wellbeing is the aspect least addressed. In 2022, 70% of employers addressed mental wellbeing in their strategy compared to 58% this year, although almost all (94%) companies plan to address it in the future. Last year around 2 in 3 APAC companies committed financial resources to each of the 4 wellbeing aspects. This year mental health was the least likely to receive an allocation, with just over half of APAC companies (52%) committing financial resources.

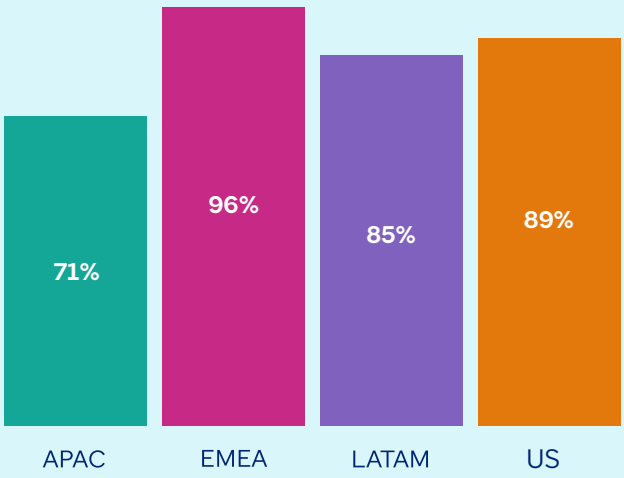
EAP offerings are trending down with only a third of companies offering an EAP this year compared to 48% last year. This trend may correct itself over the next few years, however, since significantly more companies (27%) are considering adding an EAP than in previous years (11% in 2022, 15% in 2021). Fewer APAC companies (71%) report satisfaction with their EAP compared to other regions.

Onsite EAP counselling services (22%) are down from last year (39%), but the trend shows more employers (39%) than last year (29%) are considering investing in the offering. Virtual EAP counselling services are trending down, too (21% versus 31% in 2022), although it's also the virtual service most under consideration (45%).

Our survey doesn't address reasons for declining mental wellbeing support in the region, however, a recently published Asia Mental Health Index found stigma associated with mental health issues to be a huge barrier preventing employees from seeking care. Survey sponsors also stated, "Many businesses are still not taking the mental health of their staff seriously."[6]



Satisfaction with organization's EAP offering



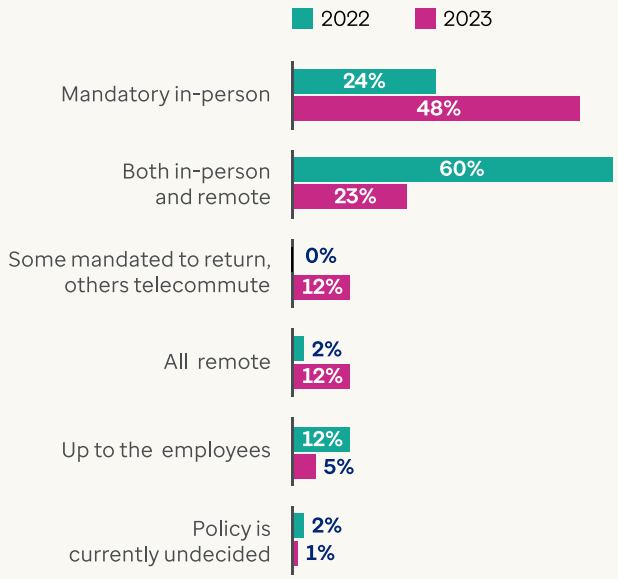
Meeting the diverse wellbeing needs of today's workforce



Today's workforce is more varied than ever before with companies employing full-time, part-time, and shift employees, as well as contract, freelance, and gig workers, all working from a variety of locations, both in country and abroad. Almost all companies (97%) agree that H&W management programmes help them attract and retain employees, but the struggle to provide a comprehensive solution that meets the needs of all employees persists.

Whilst twice as many companies (48%) as last year (24%) are striving to bring all workers back on site, employees still appreciate flexible work location options. And thanks to the proliferation of digital teaming platforms, many former in-office jobs can be performed just as easily from home. Over half of employers (54%) who allow telecommuting told us they have more telecommuters now than before. What are companies doing to address the wellbeing needs of their scattered and varied workforce?

Work location policy



> "Meeting the diverse needs and expectations of our employees is our biggest challenge. We strive to provide a variety of benefit programmes to meet the needs of our diverse workforce."
>
> **– Employer,** Japan

First, companies are continuing to seek the right balance between onsite and virtual offerings. Globally, about 1 in 5 employers continue to offer virtual programmes, however, virtual stress reduction and virtual fitness offerings have declined in popularity. Interestingly, virtual telemed and virtual stress reduction programmes are among those with the highest participation rates. Company size does not appear to influence the availability of virtual offerings. Looking at onsite services, health promotion coordinators and nutrition services continue to be the most popular, however, more companies are offering ergonomics and health advocacy services.

Secondly, companies are continuing to innovate programming. Whilst the average number of programmes offered (7.4) remains consistent with previous years, more employers (72%) are offering 5 or more programmes than 2 years ago (62%). Companies are also adapting programme offerings to the needs of their populations.

> "One size does not fit all. You need to have diverse offerings."
>
> **– Employer,** England

Top programmes

Offered

Health risk assessments	40%
Financial wellbeing	40%
Wellness coaching	39%
H&W website/portal	38%
Health/fitness challenges	35%

Participation

Flu shots	41%
Health risk assessments	32%
Virtual telemed	32%
EAPs	30%
Virtual stress reduction	29%

7.4

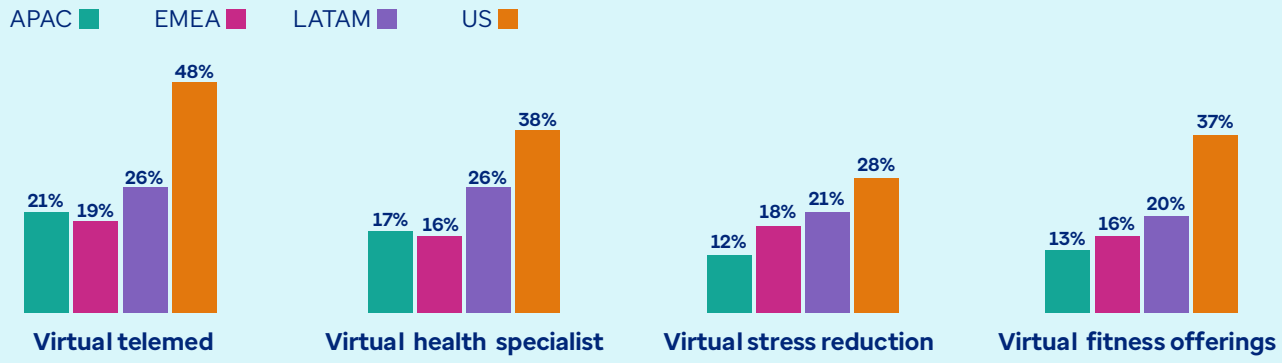
Average number of programmes offered

Lastly, companies are seeking to improve the inclusiveness of H&W strategies by expanding access to offerings to all employees. We asked specifically about employee assistance programs (EAPs). Amongst those offering EAPs, almost 3 out of 4 (74%) make the offering available to all employees. The rest plan to expand the programme to all employees in the future. Amongst those who only offer EAPs to a portion of their workforce, 16% make the programme available to part-time employees now and 68% plan to include part-time employees in the future. Employers also want employees to have equal access to programmes no matter where they live. Over half (55%) of companies in our survey are multinational, and on average, 30% of their employees work abroad. Most multinational companies (76%) said they offer the same amount or more programmes to employees working outside the country.

Virtual offerings are more popular in the US

Whilst almost 70% of US companies allow employees to work remotely at least part of the time, over half (58%) said they have the same number or fewer telecommuters than last year. With only 15% reporting significantly more telecommuters now, it seems numbers are stabilizing, and remote working is here to stay. US companies appear committed to continuing virtual wellbeing offerings to support remote workers. Globally, virtual programmes are offered by 20% of companies or less, and some offerings are declining. Comparatively, US offerings remain high. Significantly more US companies (48%) offer virtual telemed, 38% offer virtual health specialists, and 37% have virtual fitness offerings.

Virtual H&W programmes offered



Employee motivation and engagement



In the context of our survey, employers used the term 'engagement' to describe the motivation and commitment employees have towards their work as well as their level of participation in H&W programmes. By either definition, poor engagement creates barriers to the success of H&W strategies.

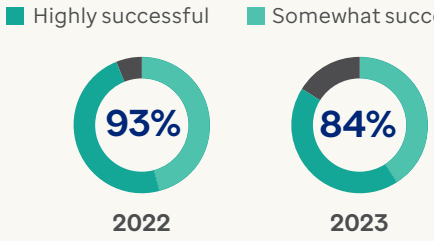
> "Employees are less motivated to work."
>
> — **Employer,** Denmark

Although programme participation rates are about the same as last year, approximately 30% of companies who responded to our open-ended question on greatest challenges said their employees lack motivation or are reluctant to participate in H&W services. Remote working has exacerbated the problem, making it difficult to keep employees informed about offerings. On the flip side, another 25% said the most successful part of their H&W strategies has been employee engagement.

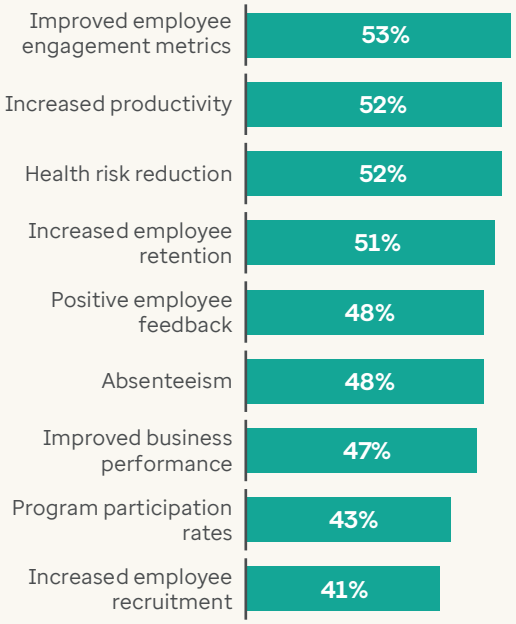
> "Our greatest challenge is getting more staff involved in what we are trying to do. Now that staff are working all over the county remotely it has become increasingly difficult to engage them and keep them motivated or aware. Previously, when all were office-based, we could share information, put up posters, and run competitions quickly and easily."
>
> — **Employer,** England

Employee engagement scores, which are used by 62% of companies, are one of the most popular metrics for measuring programme ROI. Over half of employers (53%) ranked 'improved employee engagement metrics' as 'highly important' when it comes to evaluating H&W programme success. Last year, 'increased productivity' and 'health risk reduction' ranked higher in importance. It's unclear what's driving this change, however, the last few years have introduced factors that affect engagement, including remote and hybrid work environments, and shifting employee perspectives on life balance and what employees want from an employer. There's also a known correlation between engagement and performance, productivity, and turnover. If you can improve engagement, the other 3 will likely improve as well. Whilst most companies (84%) believe their wellbeing programmes are successful at improving employee engagement metrics, the number has declined since last year (93%).

Success of programmes at improving employee engagement metrics



Determining success of H&W programmes (% Very Important)

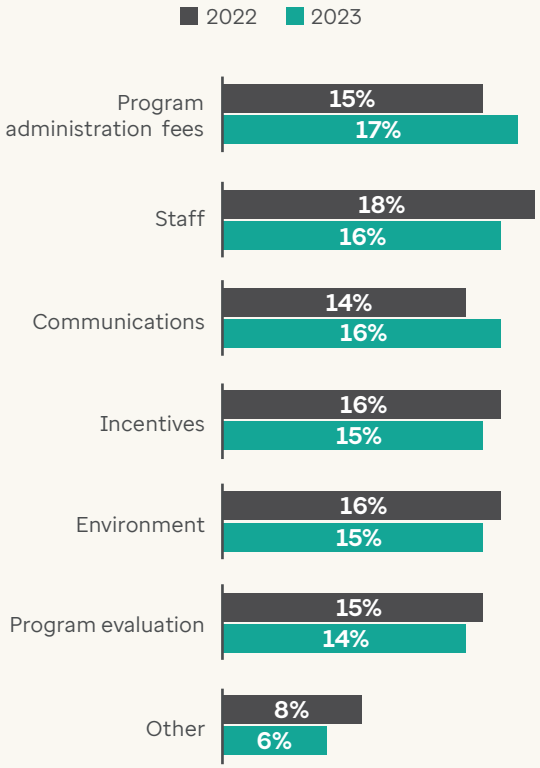


What's hindering programme engagement? And what are employers doing to increase participation and ensure they get the most value from H&W offerings? Companies are a little less certain (52% strongly agree) that employees know about offerings than last year (62%). The increasing complexity of benefits could be a factor. Many employers are trying to raise programme awareness by improving promotion. Globally, companies are allocating more financial resources (16%) to communications in support of H&W strategies than in previous years (14%). Also, companies have increased their financial allocation (from 15% in 2022 to 17% in 2023) to programme administration, a category which includes vendor fees and may encompass digital engagement techniques such as mobile apps.

We asked employers about the most effective means for driving employee engagement in H&W programmes overall and across 6 work settings including office, manufacturing/ production, warehouse, telecommuting, business travel, and transportation. For the second consecutive year, mobile apps are considered the most effective overall, however, this result varied by region. Perceived effectiveness also varied by work environment. In office settings, onsite meetings were deemed the most effective whilst electronic newsletters, mobile apps, and hard-copy brochures were seen as most effective in warehouse environments. This result emphasises that to maximise reach, companies need to tailor engagement methods by work environment when developing a comprehensive H&W communication strategy.

Allocation of financial resources to support H&W strategy

(Average allocation)



The most effective means of driving employee engagement in H&W programmes varies by region

Global	APAC	EMEA	LATAM	US
Mobile apps	Mobile apps	Mobile apps	Onsite meetings Webinars	Email Onsite meetings



EMEA's employee engagement struggles

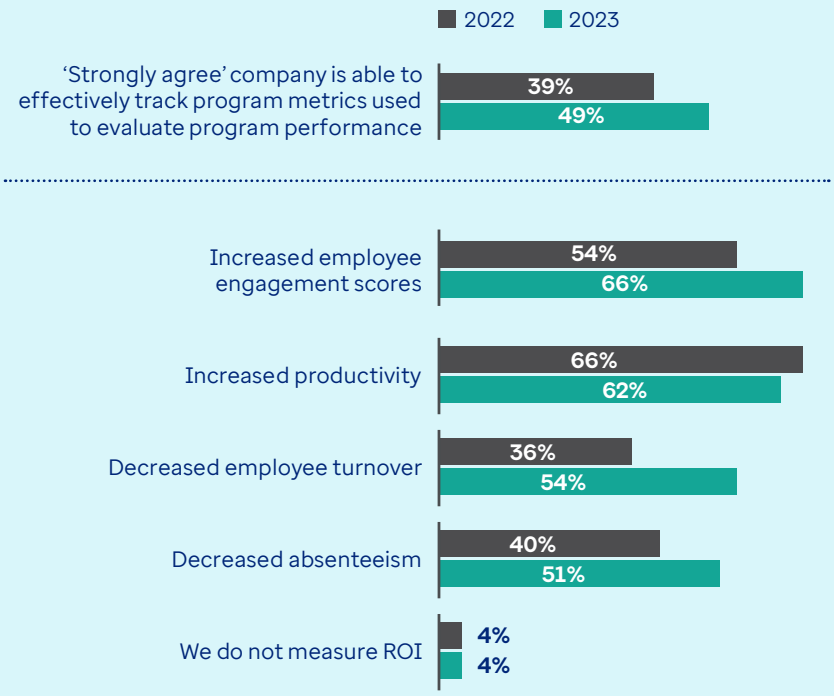
Poor engagement was one of the most reported challenges by EMEA employers. The result echoes Gallup's findings in their 2022 report on the State of the Global Workplace which ranked Europe 10th out of 10 regions in employee engagement.[5]

In our survey this year, more respondents (49%) than 2 years ago (34%) strongly agree their company sets specific participation goals for programmes, but they also report programme participation levels are trending down across offerings. Participation has declined significantly in a third of programmes including health risk assessments, EAPs, H&W website/portals, worksite fitness centres, gym membership discounts, onsite health specialists, healthy pregnancy programmes, health biometric screenings, and weight management programmes.

Employer confidence in their company's ability to effectively track programme metrics has grown significantly from last year with almost half (49%) saying they strongly agree their company can track metrics. Whilst 'increased productivity' and 'improved employee engagement metrics' are considered equally important (48%) in determining the success of H&W programmes, employee engagement has overtaken productivity as the most-used metric for measuring ROI. Employee engagement is being used in 2 in 3 companies (66%) as an ROI metric, an increase from 54% last year. Whilst more are measuring employee engagement, fewer companies (84% versus 94% last year) believe their programmes are successful at improving the metric.

Results from this year's survey fall short of explaining EMEA's engagement struggles, however, Gallup postulates it may come down to 'bad bosses.' According to Gallup's analytics, "70% of the variance in a team's engagement is explained just by who their boss is."[7]

Means of measuring ROI





"We have found it difficult to motivate and incentivize employees to participate in wellness programs, even when they are offered."

– Employer, UAE

Digital innovation and integration



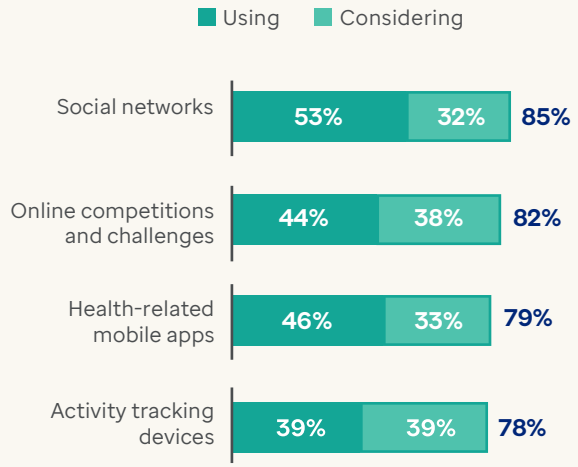
Digital innovation and integration is the final challenge most commonly reported by WIW participants. Companies want to incorporate state-of-the-art technology into their H&W strategies whether to track metrics, provide a digital benefits hub, or engage employees through health-related apps, but they lack technical expertise, and struggle to determine which digital solutions would best meet their needs. Companies cited out-dated technology, lack of data processing expertise, and remote connectivity issues as part of the problem.

> "Our greatest challenge is applying third-party health technology to support and add digital health services."
>
> **– Employer,** Hong Kong

Our results show the extent to which participants have integrated or desire to integrate digital elements into their H&W strategies. Over a quarter (28%) of companies offer a digital benefits hub and 22% are considering offering one in the next 3 years. Up to 53% of companies have adopted digital engagement strategies such as social networks, health-related mobile apps, and activity tracking devices. When you add in companies who are considering these digital strategies, the number rises to 85%.

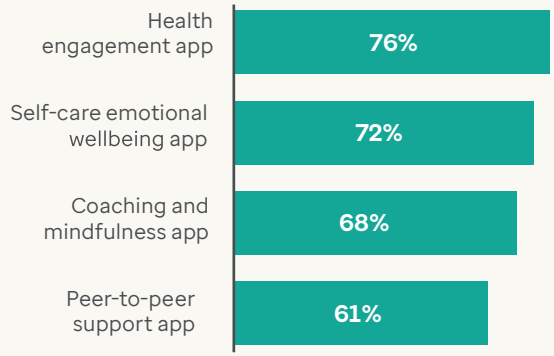
> "The biggest problem is the lack of proper system guidance and deployment plan."
>
> **– Employer,** England

Companies using or planning to use digital engagement strategies



Globally, 61% to 76% of employers say they are paying for various types of H&W apps.

Companies paying for digital engagement technologies



Companies also told us they are struggling to find a suitable H&W partner who can provide digital expertise and help integrate offerings. However, when it comes to hiring programme administration vendors, 2 in 3 companies (67%) prioritise best-in-class products over programme integration. This implies they are working with multiple vendors who support one or more stand-alone offerings which may or may not integrate well with offerings from other vendors. Working with a single partner whose offerings are fully integrated would simplify programme administration and enhance data transparency, however companies said 'customisable solutions,' 'global consistency across countries,' and 'locally tailored/delivered wellbeing services' take precedence over working with a single service provider. When asked specifically about EAP providers, the results differed and employers recognised the benefits of working with one partner to provide both medical benefits and EAP services. About 2 in 3 companies (65%) said it was easier, convenient, and more cost-effective to purchase an EAP as a bundle from their medical benefits supplier. Those who purchased their EAP as a stand-alone product noted better training, support, and add-on wellness programmes as a plus. Some said they experienced higher utilisation and appreciated the enhanced employee privacy offered by a stand-alone EAP.

Conclusion

In an effort to overcome challenges, make smart choices allocating limited resources, and improve/enhance H&W offerings, many employers are seeking expert advice, particularly when it comes to measuring and evaluating programme effectiveness. Companies told us they don't know enough about the health status of employees or how to obtain accurate data to help develop effective H&W plans. Others reported that collaborating with their employees and a knowledgeable H&W partner has improved their strategies. If you're seeking to derive the most value from your corporate H&W offerings, Optum is here to help. With integrated global health solutions, including a suite of workplace wellbeing and digital engagement offerings, we can help unify your health and wellness strategy and build a culture that prioritises wellbeing.

> "We have realized that taking this as a company project and quickly allocating our brightest HR officers with specialists in health and wellness groups as brain tanks for solutions and collaborating with our employees on issues that affect them, bringing them along in the process, has helped us be effective in our health and wellness strategies."
>
> **— Employer,** UAE



To learn more about how Optum can support global employee wellbeing, visit **optum.com/emotionalwellbeing.**

Methodology

The 7th annual Wellbeing in the Workplace Study was conducted online from 11 April to 3 May 2023. The survey identifies health management programme trends and insights across large employers (3,000+ employees) located in:

APAC (Asia-Pacific)

EMEA (Europe, Middle East)

LATAM (Latin America)

US (United States)*

* US data is excluded from global results to allow for year-to-year trend analysis

Employer respondents: 405

Region

APAC	**21%**
EMEA	**35%**
LATAM	**20%**
US	**24%**

Role

Human resources	**21%**
Administration	**35%**
General management	**20%**
Executive/owner	**24%**

Company size

Large (3K to 9.9K employees)	**66%**
X-large (10K to 49.9K employees)	**19%**
Jumbo (50K+ employees)	**15%**

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