



# Assessing the role of employers in driving US economic vitality through a healthy, productive workforce

November 11, 2021

The Economist Group

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# New paradigm in healthy workforce?

COVID-19 has more than ever before thrust the inextricable **link between well-being and work** into the spotlight.

This has given employers a new imperative to **re-evaluate pre-pandemic norms** to better support workers, which in turn reveals both the business and wider economic benefits of doing so.

What **are the realities in the US** between employee well-being, business success, and overall economic vitality?

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## Objective

- Quantify employee and employer perception about the value of a healthy workforce, and how it contributes to productivity, business growth and economic vibrancy



## Research

- Economist Impact
- Conducted focus groups with executives and employees
- Industry SME interviews across academia, benefits and industry associations
- Literature review and media scan



## Population

- Online survey
- 600 senior executives (director and above)
- 1,200 employees
- Fielded January – February 2021

White Paper, Case Studies, Infographic, Event Summary



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# Audience poll 1

Which of the following do you see as the most significant barriers to business growth today (select up to 3)?

- Fatigue/burnout/stress
- Lack of positive work attitude
- Lack of skilled talent or hard to recruit employees
- Lack of professional advancement/fulfillment
- Absences/ employees quitting
- Lack of connections/support
- Care needs at home (children, eldercare)
- Limits on managing workplace culture or morale
- Lack of confidence in workplace safety
- Illness



**The employer imperative:**  
Driving US economic vitality through a healthy, productive workforce

**Covid-19's great reset:**  
**A defining moment for employers to turn crisis into opportunity**

The covid-19 pandemic has arguably changed the world of work more radically than any other single event in a century. Consequently, it has presented employers with an unprecedented opportunity to hit the reset button on pre-pandemic working norms and shape their practices in a way that better supports workforce wellness. This includes the imperative for openness to new tools and innovations that offer employees more effective avenues to maintain wellness. In turn, this leads to greater productivity, better business performance and ultimately economic recovery and growth.

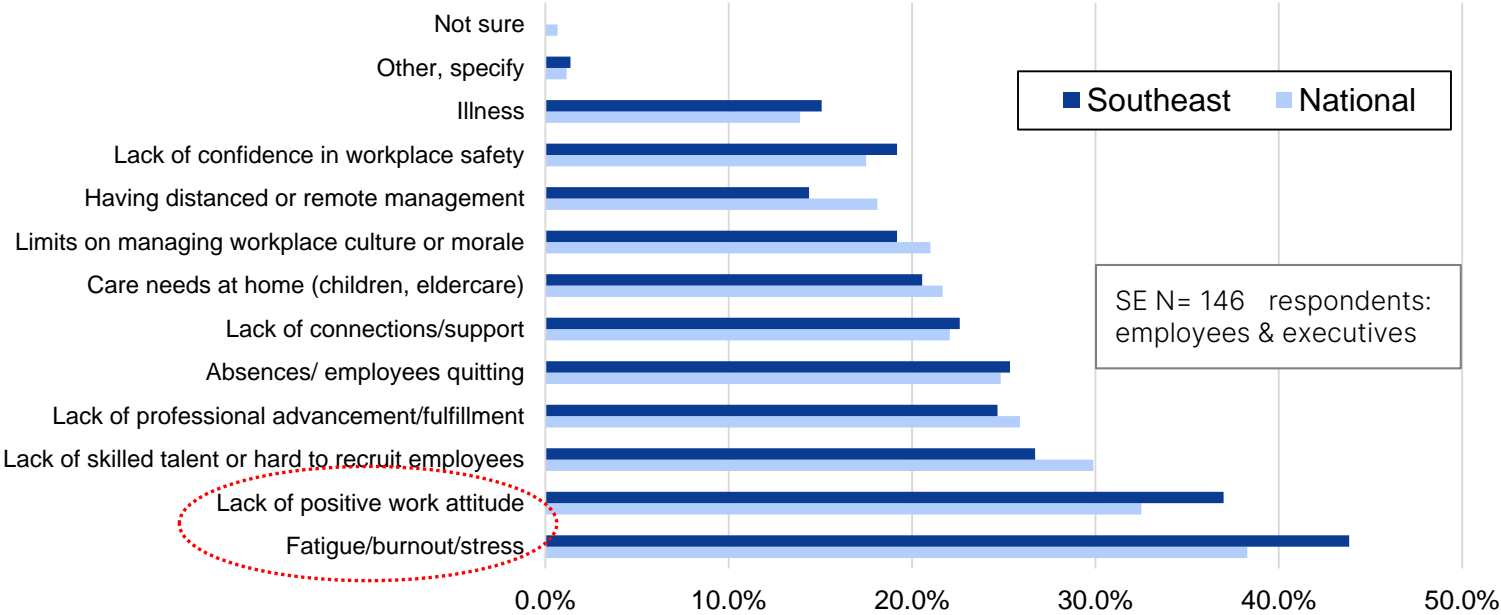
In this way, employers who embrace this unique moment to focus on what can be done to support a well workforce will position themselves ahead of the curve. In order to achieve this, however, employers must understand and navigate the ongoing evolution of employee needs and expectations to truly impact the bottom line and drive growth in the future.



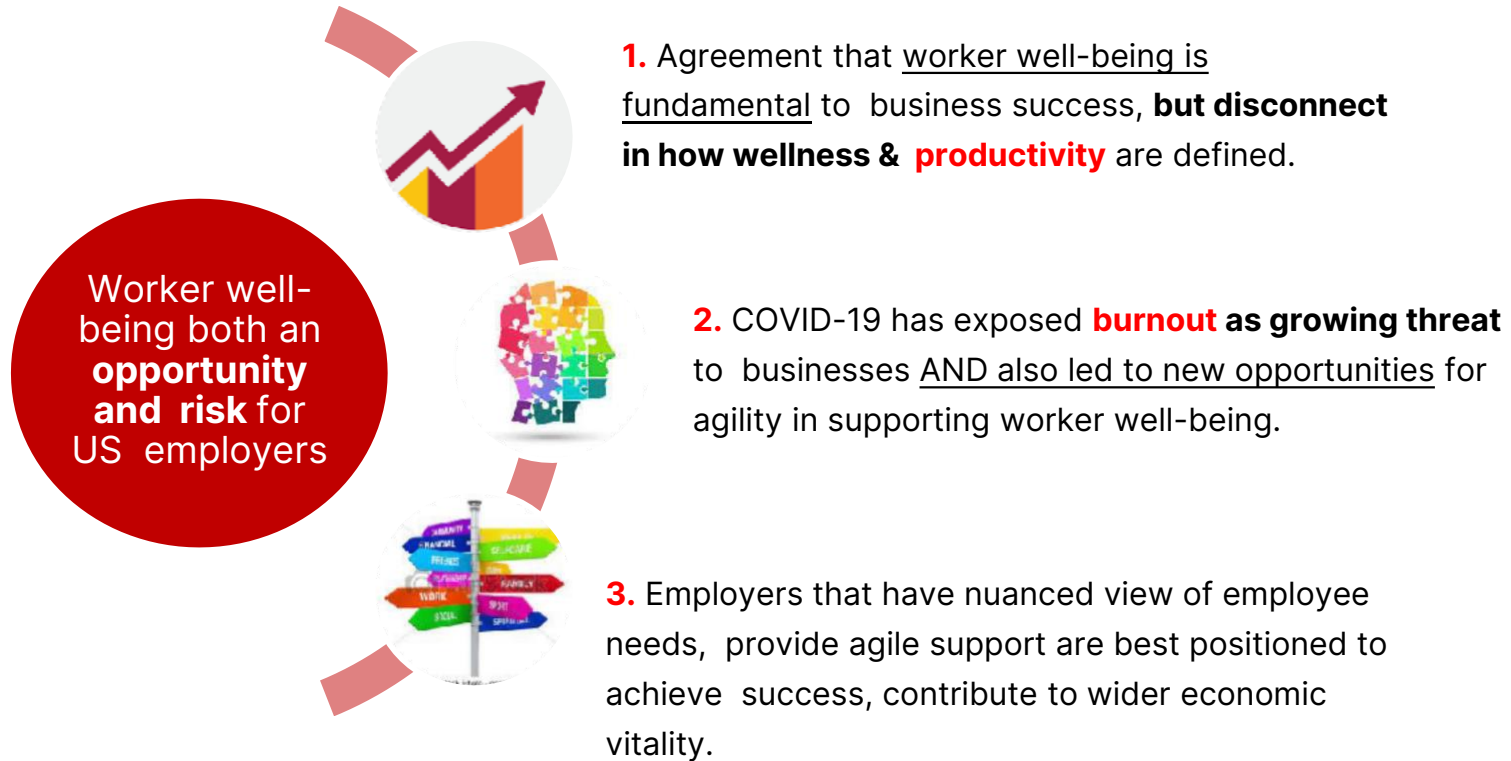
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# Survey results: barriers to business growth

Which of the following do you see as the most significant barriers to business growth today? Select up to three.



# Major narratives, key findings from the research



# Gaps between understanding and practice

**90% of executives** believe that **employee well-being** has a direct impact on their **company's financial performance**. However, it isn't always optimized through action.

**Worker – employer alignment** in well-being definitions, needs and offering

*“The first step employers should take when designing benefit offerings is to ask employees, directly, which benefits align best with their needs. It seems so simple, but it's so critical to an effective well-being strategy.”*

**Expert interview**



## Employee Views of Health

When asked about what best defines a healthy workforce today, the top responses from employees include:

- Good work-life **balance** (54%);
- **Access** to quality healthcare (46%);
- **Safe** working conditions (46%).

# Mental health is important business risk



Of total respondents, **38%** believe **fatigue, stress, and burnout** is the top factor impacting business growth.

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*"I have liked that they have things [to support me], but I do feel like there may be some challenges because I don't know how comfortable I feel taking mental wellness or sick days. In the back of my head I am wondering if they had to cut people, are they going to have access to that information. I would think that affects the decision."*

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**Employee focus group participant**

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## Sector View

Employees in:

- **Health care** (58%);
- **Financial services** (46%); and
- **Retail/consumer goods** (43%)

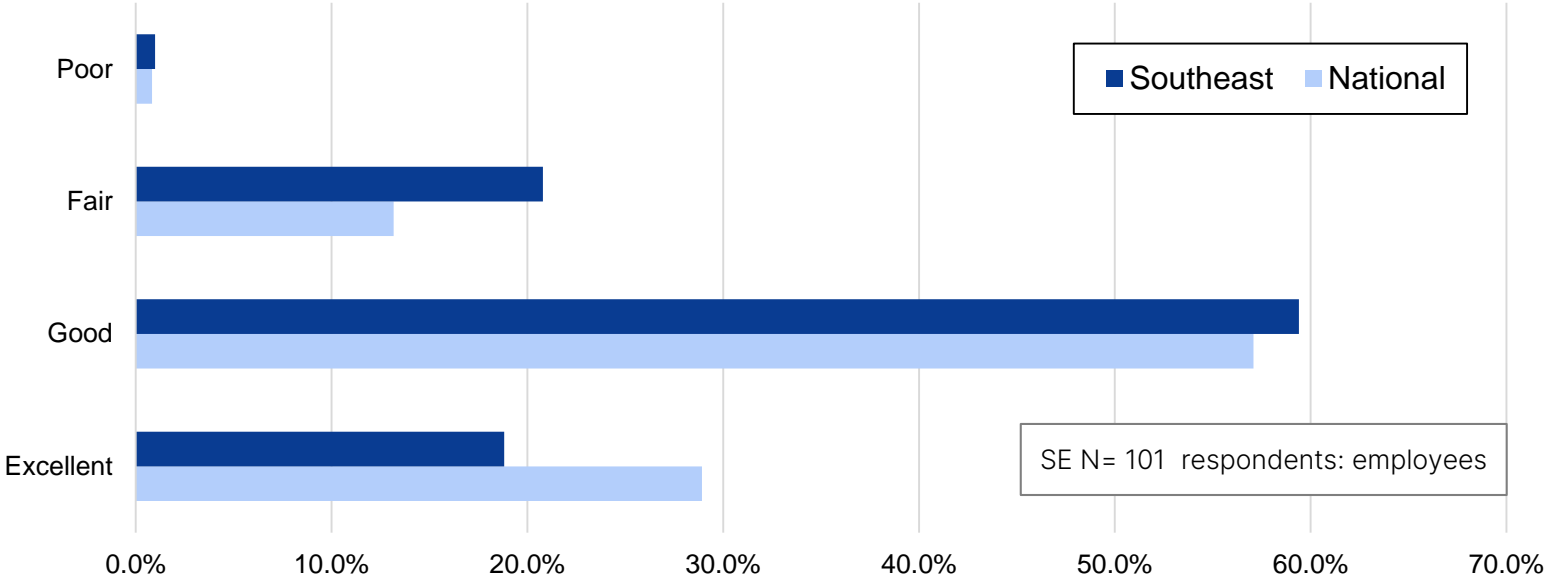
ranked fatigue, stress and burnout **higher than other industries.**

## Role Comparison

**Employees are more likely** to rate this as a top barrier (41%) compared to executives (33%)

# Survey results: state of employee wellbeing

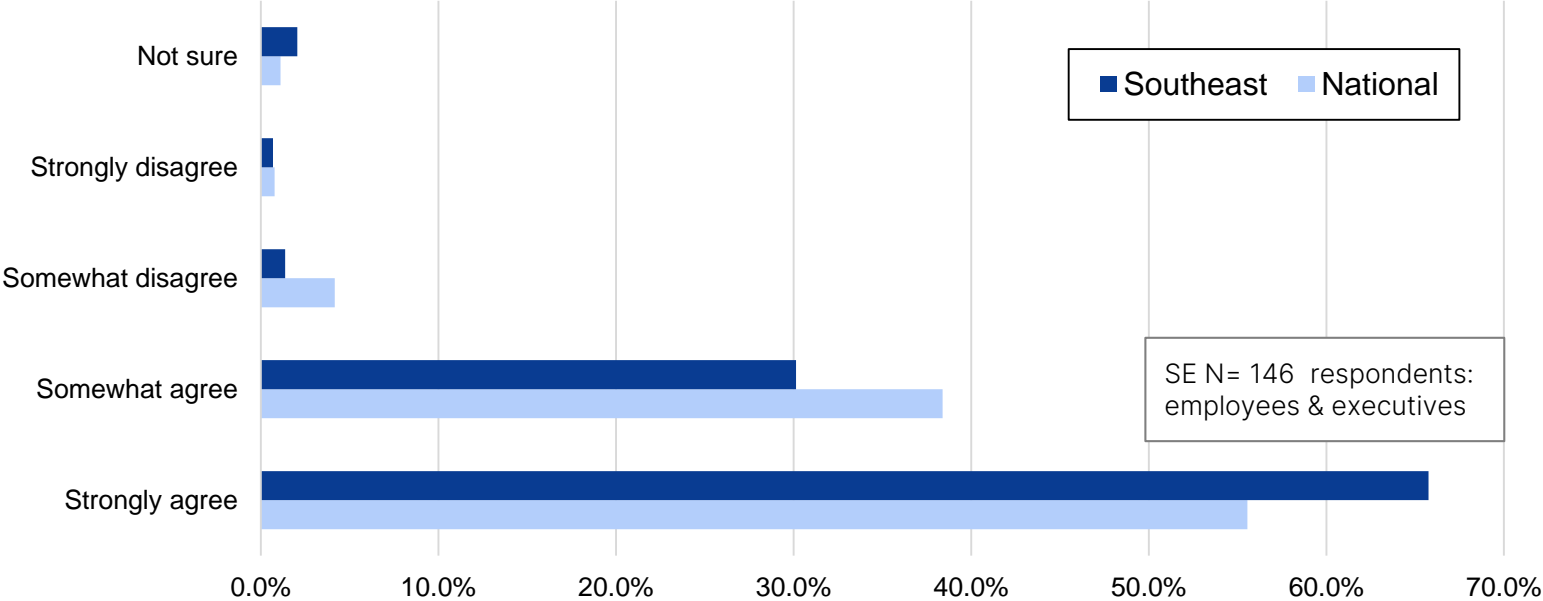
How would you rate your overall health and wellbeing? Please consider your physical, mental, emotional and social wellbeing





# Survey results: role of employers in health

## Employers play a very important role in providing access to high-quality health care to their employees



# Survey results: measures of workforce productivity

What measures does your company use to evaluate workplace productivity today? Select all that apply.



# Survey results: company motivation for supporting health

Which of the following best describes your company's reasons for providing health benefits to employees? Select up to three.



# Audience poll 2

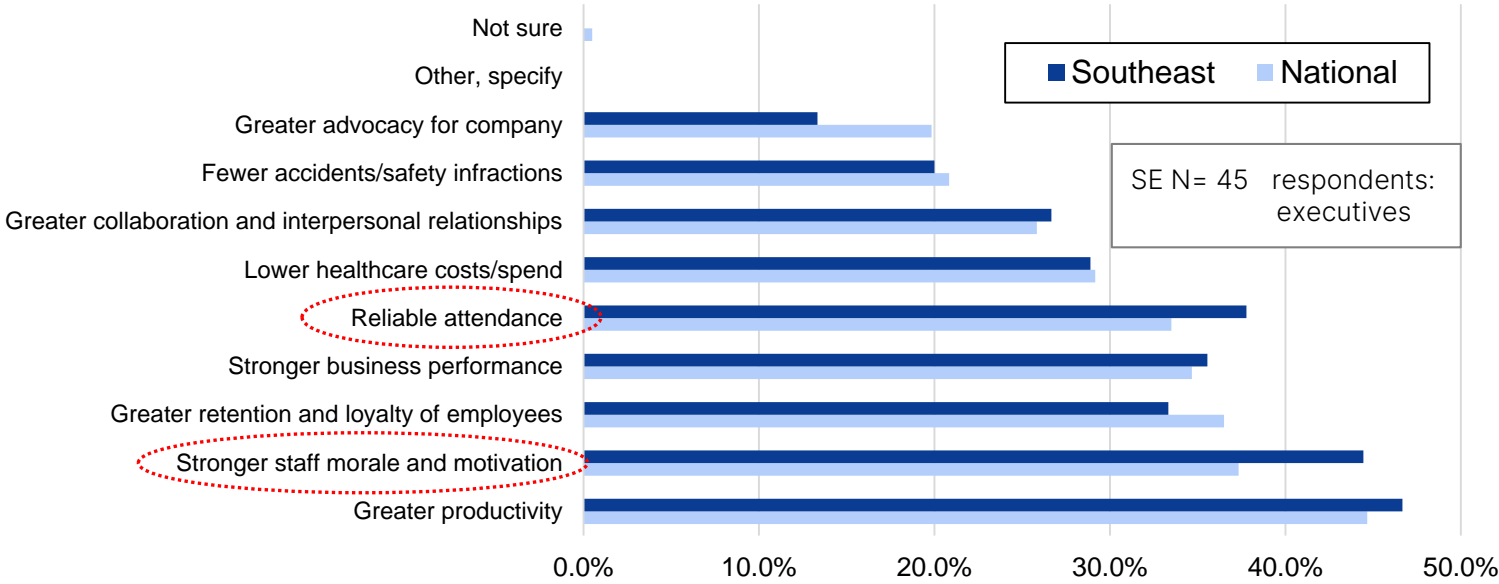
What do you see as the greatest business outcomes of a healthy workforce (select up to 3)?

- Greater productivity
- Stronger staff morale and motivation
- Greater retention and loyalty of employees
- Stronger business performance
- Reliable attendance
- Lower healthcare costs/spend
- Greater collaboration and interpersonal relationships
- Fewer accidents/safety infractions
- Greater advocacy for company



# Survey results: business impact of healthy workforce

What do you see as the greatest business outcomes of a healthy workforce? Select up to three.



# Success in well-being, success in business

Nearly all employees and executives agree that investing in a healthy workforce is an **investment in US economic recovery**...



...However, 89% of executives feel companies need to more effectively **quantify the business value** of a healthy, productive workforce.

## Flexibility & Agility

Adopting a flexible and agile approach is essential to supporting a well and engaged workforce. On average, companies with **high employee engagement are 23% more profitable.**

Case Example:  
Hewlett Packard

## 'Culture of Health'

**De-stigmatizing wellness needs**, encouraging use of benefits and **regularly providing opportunities for employee input** are crucial for ensuring economic impact of well-being.

Case Example:  
Sodexo

## Driving Change

Most employees and executives agree that **employers play a very important role in providing access to high-quality health care**, as well as driving healthcare innovation.

Case Example: American  
Cast Iron & Pipe Company

# Case study: American Pipe

## Company

American Cast Iron and Pipe Company (Employee Size: 2,300)

## Health Initiative

The company launched WellBody: A Good Health Movement, in part, due to recognition of work-related injuries as a barrier to employee well-being and as a barrier to business success.

This program include access to registered dietitians, group fitness classes, monthly wellness days, and required, week-long safety training for new hires. This program is comprised of four steps:



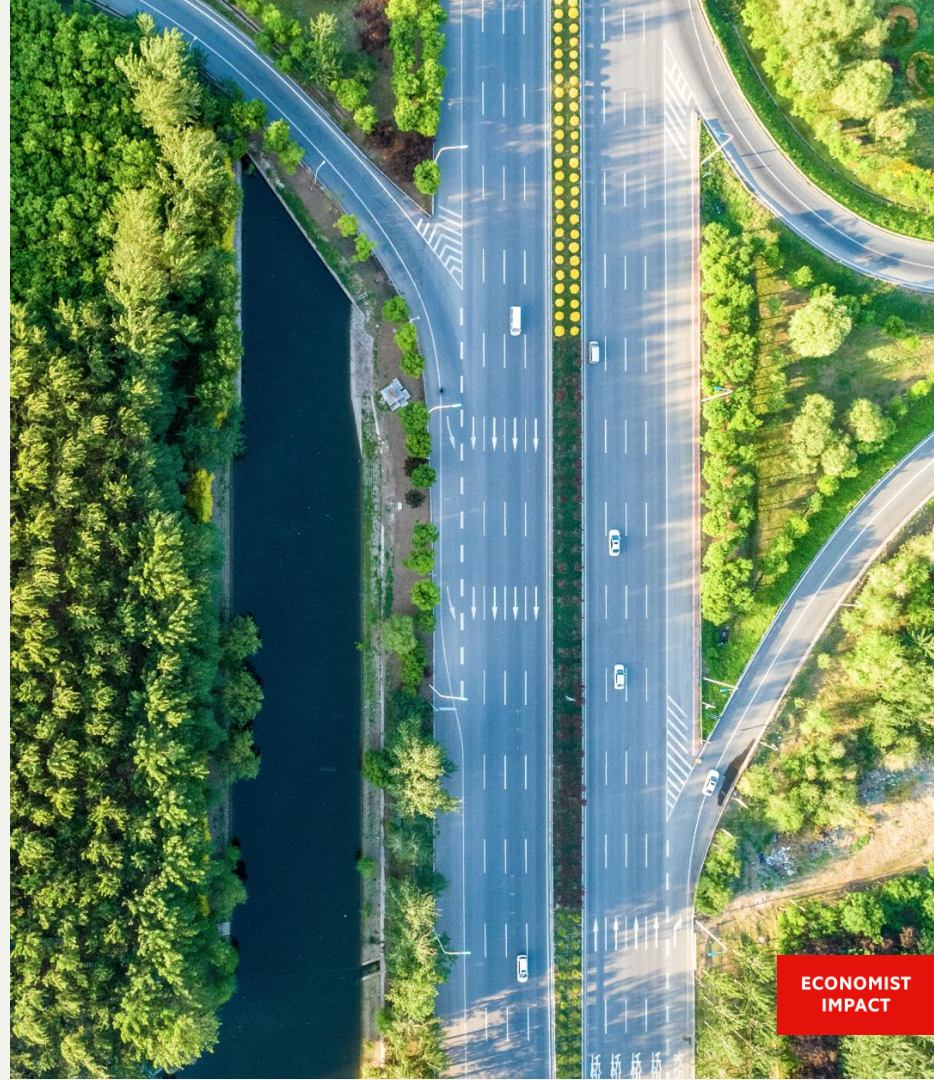
→ Biometric screening

→ Participation in two well campaigns each year

→ Goal setting with a health coach



→ Rewards, such as discounts on health plan premiums from meeting health goals



# Case study: American Cast Iron and Pipe Company

## Measurable result over time

American Cast Iron and Pipe Company reported a 4:1 ROI based on investing in physical therapy and safety programs, as well as savings from less physical therapy clinic visits and absence due to injuries.

This entailed the following detailed metrics and relevant impact on the company's operations:

- ✓ Decline of 89.2% in the number of injuries;
- ✓ Decrease in the total number of lost work time cases by 85.7%;
- ✓ Since 2013, 90% of employees who endured an injury were able to return to their jobs without modifications to their workload after receiving care.

10 years after the launch – American reported a 4:1 ROI



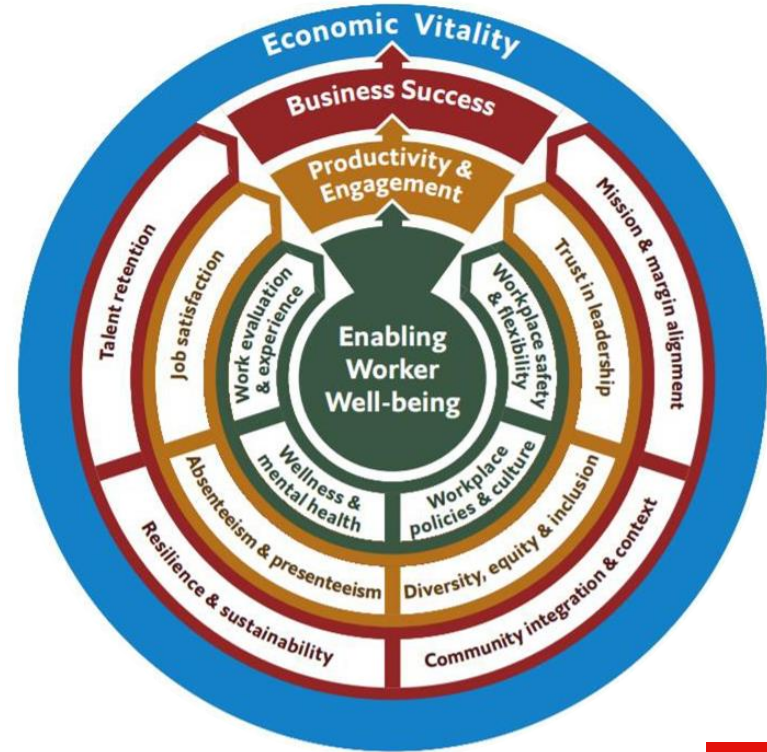


# The employer imperative

Beyond positive ramifications on individual health, there are clear business motives to prioritize worker wellbeing:

- ✓ **90% of employers agree** that employee well-being is fundamental to productivity, business success, and economic recovery.
- ✓ Employer-driven health interventions can result in a **76% ROI due to productivity increases**.
- ✓ Employees receiving health and well-being benefits at work were less likely to be absent, which resulted in **70% fewer work days missed** over a year.

## Worker Wellbeing Framework



# Many thanks!

Learn more about the results of our research, survey results, executive roundtable and case study roadmaps at:

<https://healthyworkforce.economist.com/>

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## The greatest wealth is health:

Prioritizing workforce well-being as a prescription for business and economic prosperity

Key takeaways:

**Reduced medical costs:**

For every \$1 spent on integrated care, a US employer saves \$6 in overall medical costs.<sup>1</sup>



**Reduced absenteeism:**

Employee engagement, linked to employers that take a more active role in supporting health, reduces absenteeism.<sup>2</sup> In fact, a Gallup study shows that highly engaged workplaces saw 41% lower absenteeism.<sup>3</sup>



**Boosted profitability and economic prosperity:**

As a result, companies with high employee engagement are 22% more profitable, enabling companies and employees alike to drive greater US economic prosperity.<sup>4</sup>



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