



CAPITAL H

Designing work for well-being: Living and performing at your best

Designing work for well-being

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David Mallon (David): Welcome back to the Capital H podcast, where we explore the topics and trends that focus on putting humans at the center of work. I'm your host David Mallon, and I'm excited to continue our series exploring this year's global Human Capital Trends study, unpacking the findings of our 2020 survey. We've been keeping a finger on the pulse of the HR industry for the last decade. And each year, we continue to see exciting shifts in how leaders approach their workforce. A topic of rising importance over the past 10 years has been workplace

well-being. And for most, well-being has meant health programs, safety, but it's recently grown to encompass a wider focus on physical, financial, and emotional health. What actually goes into a successful well-being program? Well, to discuss, we lead off today's episode with a conversation with Judy Fimiani, chief human resources officer at Learning Care Group, and Bruce Schaffer, a managing director in Deloitte's Oracle HR Transformation practice. Bruce and Judy will discuss the importance of well-being at Learning Care and the shifts they're making to

drive greater outcomes for their employees and beyond. Here now are Bruce and Judy.

Bruce Schaffer (Bruce): Judy, welcome and thanks for joining us today on the Capital H podcast to talk about designing work for well-being.

Judy Fimiani (Judy): Thanks, Bruce.

Bruce: Can you tell us a little bit about Learning Care Group and your role as a chief human resource officer?

Judy: Sure thing, Bruce. I'm looking forward to our conversation. Learning Care Group is the second largest provider of early childhood education. We serve families and children from six weeks to twelve years old through our nine hundred locations nationwide. Our goal is to provide solutions for families while we prepare children for kindergarten life. We're a people business. So, we interact with our families and our children ten to twelve hours a day, five days a week. Parents are entrusting us with their most precious assets, their children. So, we're continuously focused on safety, care, and education. This happens through more than 20,000 of our school staff, from teachers to the cooks and bus drivers, and of course our school management, including our directors. As CHRO, I believe it's critical to ensure our employees are engaged and equipped to understand the importance of the role they play in a child's life. Working closely with our operations and our education team, it's about ensuring we're delivering a great employee experience and continuously innovating and transforming our programs and processes and our technology.

Bruce: Thanks, Judy. As you're aware, the concept of well-being has emerged as a top human capital trend for 2020. And research has shown a recent evolution of well-being programs to include programs around physical, financial, and even emotional health. How has this evolution impacted programs at Learning Care Group, and specifically in the education field?

Judy: So, we know that teachers and caregivers often burn out or take on too much. Both the tasks of the job or the emotional stress from the job. That stress and burnout lead to higher turnover and decreased engagement, which also impacts our family and our child relationships. A recent analysis by the National Foundation for Educational Research revealed that teachers are more likely to suffer job-related stress than any other professional. In fact, one in five teachers feel tense about their job all or most of the time, compared with one in eight workers in similar professions.

Knowing that, in the last two years, we've been focusing our efforts on enhancing the experience for our teachers and increasing their personal and professional well-being.

Bruce: Interesting. Obviously, a large pain point for many organizations is identifying what are the right well-being initiatives for their organization. So, given the somewhat unique nature of the education field, can you speak with us about how Learning Care Group work through deciding what changes need to be made in the classrooms in order to improve well-being?

Judy: Absolutely. We have really focused on three areas: Interactions, the environment, and the tools and resources. That's how we look at our curriculum, as well as our employee experience. And for each of those areas, we study the points of friction and we look to reduce that friction to create a better environment. One example would be, one of our programs, we engaged an industrial engineer to look at the day in the life of a teacher in that particular classroom. Then we took those findings to improve the room layout, which thereby improved the teacher and child interactions, allowing for the teacher and the child to be closer and have more opportunities for ongoing interaction, which increased the teacher satisfaction and their well-being, as well as the happiness of the child. We've also looked at other factors that cause friction in classrooms, and one significant stressor is challenging behaviors in children. We wanted to help our teachers, not only in responding to challenging classroom scenarios, but in preventing them in the first place.

Bruce: Fascinating. Learning Care Group has been able to incorporate technology into well-being solutions. How has this added to the success of your programs?

Judy: The concept for helping teachers respond and prevent challenging classroom scenarios led to our development of the MyPath app. What surprises most people is that about 95 percent of child behaviors

that parents or teachers might consider to be challenging are actually developmentally appropriate. Such as biting, hitting, screaming. Dr. Susan Kent, our chief academic officer, championed this idea and shares that the guidance in developing critical skills in children help them express their ideas, wants, and needs. So, if a child reacts negatively to a situation, it's a teachable moment. The development of MyPath gives teachers quick access to a vast library of proven strategies that encourage children to develop those positive behaviors. So, it's a quick way for teachers to identify the age of the child, the type of behavior they're exhibiting, and find multiple techniques and teachable moments to help them through that. It's part of a comprehensive approach to positive behavior support that we emphasize, both in teachers' professional development and in our ongoing improvement with our families and educational resources for children. So, it helps the children understand the logical consequences of their action, and it helps the teachers understand and direct their own responses as they're managing those challenging behaviors. We all know that when we're faced with a challenging behavior, it's how we respond to that challenging behavior that makes the difference of the outcome and the teachable moment. So, this MyPath app has been an amazing introduction into our classroom and a tool for our teachers to help them with those strategies and reduce stress and see improvement over time. It's also allowed us for a deeper collaboration with the teachers and families. Because we can share the MyPath strategies the teacher is using in the classroom with the families, so that they can work on those at home as well, thereby continuing on that teachable moment for the child and reinforcing ways to deal most effectively with challenging behaviors.

Bruce: That's very interesting. And obviously, huge benefits in the classroom. Can you talk maybe about how those benefits in the classroom translate to measurable results to the business itself?

Judy: Absolutely. As we've rolled out MyPath, we have seen a decrease in our teacher turnover, in our student disenrollment, and an increase in our overall parent and teacher satisfaction. Student disenrollment for challenging behaviors is very high, especially in the preschool age group, and our goal was to ensure that we could measure the effectiveness of fewer dis-enrollments. Along with that, as we saw that we gave that tool to teachers, we saw that teachers having the ability to understand and use tools to create calming strategies and helped them feel more comfortable and confident, so that lowered their turnover. And, ultimately, because of the parents' interaction, and the parents seeing the impact that that was having on their children, and the positive support that we were giving through the teachers having conversations with parents, it increased the parent satisfaction as well.

Bruce: Excellent. So, it sounds like we're seeing both improvements in employee well-being, as well as positive impacts to the business.

Judy: Absolutely. And our teachers, even anecdotally, have shared with us just the difference that it makes in their day-to-day routine. Their ability to understand how to effectively respond. And that goes to calming not only the behavior in maybe of one child, but all of the children in the classroom as well. So, really has seen a lot of positive impact for us. And we continue to evaluate the impact for these enhancements and look at our environment, our interactions, our tools and technology, and continue to evolve and add more, the more that we're learning the ways that these are impacting the improvements in overall well-being, turnover, and satisfaction.

Bruce: That's fantastic. And it definitely sounds like Learning Care Group has seen the well-being initiatives provide positive results. And so, thinking about other HR leaders, do you have any advice for those that are struggling on where to start with creating their own well-being initiatives?

Judy: The advice that I would give is start by first working to understand the points of friction in the business. There is generally a direct correlation between a business, or customer friction, and an employee friction. So, we spent a lot of time understanding those. And we partnered cross-functionally. So, MyPath is a great example. It was the brainchild of our education department with, certainly, close collaboration of our IT team to create the app. And also, then as HR, coming in and thinking about that as, how do we help support the adoption for the teachers, the change management, and then look at the correlation to, you know, improved satisfaction and decreased turnover. So, just working together with teams, but really understanding those friction points first. When you do that, I think it just logically leads you to what will be the priorities first and how you might pick the right solution. It may not be a traditional solution. It may not be, "I'm going to go get a benefit solution for this." But really, it's a business solution that created this well-being. So, looking at the business, partnering with the business, to me, is the best way to start.

Bruce: So, you mentioned business, and the business aspect to this. And obviously, as the CHRO, we'd expect that you're concerned about employee welfare. But what do you see as the CHRO's role in worrying about the greater business welfare, or the positive impacts that these programs can have on the business?

Judy: So, particularly for our business, the experience is delivered to the children and their families every day through our teachers, through our bus drivers, through our cooks, through our directors. So, it really is about our employees who create that direct happiness with our customers every day. So, it's important that we really understand anything that might cause a friction point, to reduce the ability for an employee to deliver on that promise to our families. And what can we do to remove those barriers to improve our

overall employee engagement and sentiment so that they are free to really focus on creating that vast customer experience.

Bruce: Well, Judy, we'd like to thank you for joining us today to talk about designing work for well-being, and appreciate your thoughts and insights.

Judy: Thanks so much, Bruce. Really appreciate the entire Deloitte team.

David: Next we're going to transition to our roundtable. I'm going to lead a discussion with first, Bruce Shaffer, who you just heard on the interview, and with Jill Korsh. She's a managing director in Deloitte's Workforce Transformation practice and she's leader of the practice's benefits and well-being community. You're going to hear Bruce and Jill discuss the components of a successful well-being program, how organizations can determine their well-being needs, and some of the barriers to measuring or seeing the return on investment once these well-being programs are in place.

David: Welcome back to Capital H. This is David Mallon, host for this week. Worker well-being. It emerged as a top human capital trend in 2020. Eighty percent of our respondents in this year's study indicated it as important or very important and a priority for their success. But the sense of where we should be putting our attention with regard to well-being is shifting from programs and other efforts outside of the work to the work itself. How we design well-being into work.

David: To have that conversation with me, I'm joined by two of my Deloitte colleagues. Bruce Shaffer is a managing director in Deloitte's Oracle HR transformation practice. Glad to have you here today, Bruce.

Bruce: Thanks, David, glad to be here.

David: And Jill Korsh, she's a managing director in Deloitte workforce transformation practice. She also leads our benefits and well-being community as part of that practice. Welcome, Jill.

Jill Korsh (Jill): Thank you, and thanks for having me.

David: Great, so to both of you, let's start with this question of, to put it plainly, kind of what is well-being? The scope of well-being is shifting in many organizations. What do you personally think is encompassed in this notion of well-being? Jill, I'll start with you.

Jill: Great, thanks. So, we advocate for a multi-pillar or holistic scope for well-being, so a lot of people think we're confusing well-being with wellness, and wellness really refers to the physical aspects and well-being is not just about the physical, but it's about the financial wellness, mental, and social and purpose-driven aspects. So, we like to call that the holistic approach to well-being. And then we also talk about, and I think we'll get into this with that trends report, is that there's also ways we're seeing now to take worker well-being and actually build it into the work itself.

David: Bruce, in your conversations with clients, what do you think of this notion of what is well-being or how are you seeing that definition shifting?

Bruce: Well, David, that's an interesting question. I think, as we just discussed, well-being has a more traditional definition, but we are seeing changes more recently where organizations are starting to think about how employees are performing under increasingly stressful situations, not only the traditional forms of stress, but we're seeing more recently employees under increasing levels of stress in their jobs and how that's impacting their performance and how that performance impacts the bottom line of the organization. So, I think we're seeing a much broader definition of well-being and thinking about elements or dimensions of well-being that maybe traditionally were not concerns to organizations.

David: How do we know? What are some of the ways organizations determine the well-being needs of the organization?

Bruce: Well, for example, increases in employee turnover or increases in sickness or illness reported by employees, reduced profitability in the business can actually be a result of decreased well-being of the employees.

David: Jill, do we also just ask them this question? What are some of the ways that we get there?

Jill: Yes, actually. Strange as it may sound, if you want to know what's impacting people and their well-being, you need to ask them. So, there are technologies such as conjoint surveys and other tools to gather information on worker needs in an actionable way that asks them to sort of rank them or define how intense those needs are. Also, one-on-one conversations. Managers are often the most impactful in terms of someone's job satisfaction and well-being, and so having the manager actually ask someone, "How are you doing? What is challenging your well-being right now?" is a great way to get at it.

David: Bruce, we just heard from Judy at Learning Care Group. What stood out to you most from that conversation?

Bruce: So, very interesting conversation with Judy and that they observed impacts to their business directly related to teacher burnout. So, they were seeing higher turnover with their teachers and that turnover was also resulting in challenges with retention of their students in their schools, as well as a lower level of satisfaction by the parents. And as they really looked into the impacts around well-being or the reasons that the well-being was suffering, it was in large part due to the burnout of the teachers and the stress that they were feeling in the classroom. And so, Learning Care Group embarked on a program to implement additional tools and practices to reduce the classroom stress of the teachers, which they saw very quickly resulted in reduced turnover in their teaching workforce and increased satisfaction at both the student and the parent level.

David: Jill, kind of picking up on this particular story, what does it say to you, or what is it illustrative of, in terms of successful well-being programs, those that are more successful versus others?

Jill: Yeah, I loved many of the things that Judy said and a couple things I want to emphasize and bring forward that she mentioned, is one, the connection to what we call the workforce experience. So, really important. It's not just about the programs and it's not just about the strategy, but it's connection to the broader workforce experience and to things like the work itself, the technology use, the workplace, all of the things that they studied and talked about in her example. And then the connection between that workforce or employee experience to the customer experience and then recognizing that and acknowledging that there's a direct correlation between their business or customer experience and how their employees are feeling and doing and how supported they feel in general. So, I thought those were both really important points she made and things that we really emphasize as well.

David: Do you think this depiction of customer experience, is this useful just because it helps make a case for putting extra attention on the employee experience or is it more than that? Is it because it is starting to make this point that we talk about in this year's trends article around this connection between well-being and organizational performance itself?

Jill: Yes, exactly. So, it's not just performance of the organization, it's looking more broadly from the individuals to the organization and the business strategy and metrics they're trying to achieve and also how they're trying to interact with their customers and stakeholders.

David: Bruce, based on what you know about what's going on there. I know that they looked at this question of burnout, but the impetus for change, was it that we are trying to solve a business

problem or is it we're trying to solve a problem for our workforce? Or did they even make that distinction?

Bruce: Now that's a great question. I think they probably started the journey coming at it in two parallel paths and very quickly found that actually the goals intersected. So, what I mean by that is, clearly, when you think about the financial and the business performance of an organization, you're always asking the question, how can I increase my revenue? How can I increase my customer satisfaction? et cetera. So there were parts of the organization that were already dealing with those questions as you would expect, but then as employee experience came into the picture and the education portion of the business started observing that the teacher burnout rates were increasing and the satisfaction levels of the parents were decreasing, therefore, student dis-enrollment was going up, they quickly assessed that the two points were interrelated. And in order to be more successful in the business, they needed to quickly and effectively address the welfare of the employees, reduce the burnout, reduce the stress in the classrooms and, therefore, increasing the overall satisfaction of teachers, students, and therefore their parents.

David: So, 94 percent of our respondents in this year's Global Human Capital trends study believed that well-being has some kind of direct connection to organizational performance. Ninety-four percent from a research point of view is almost all. So, almost all of our respondents globally see that connection; and interestingly 96 percent, even more, believe it's an organizational responsibility, but two-thirds aren't even evaluating the impact of well-being on performance. Jill, given this story and given sort of what you've said overall, why is that?

Jill: Yeah, that's a great question; and we did find in our study that there were a large percentage of organizations not actually even trying to measure the impact and that's

because it's challenging. I think some of that goes back to what I said earlier about having wellness and healthcare costs and things around ROI. They're all often tracked but often are a long-term play to actually see results. And so there are barriers to measurement, but again, I think if we look at the broader connections we're trying to make to that workforce experience and engagement and productivity, and if we really cast a wide net and look at the business-related outcomes we're trying to achieve and aligning that to the strategy and the things we actually measure, there are ways to measure the effectiveness and to also be agile around what you need to do to move the needle on the program and goals and aspirations you have to start with.

David: Well, okay, so you've raised a question there. What are some of those things that we can do to be more agile?

Jill: Well, a great question and something we mentioned earlier is, and I think our times are really illustrating right now, and there's both an opportunity here and a challenge during this challenging environment for worker well-being everywhere globally, is that if you think about asking the workforce about their needs and their concerns in order to best address those, had you asked the workforce six months ago what their needs and concerns were and adjusted to try and meet those and you looked at those today, they'd be very different. So you need to be agile and ask again, don't forget to connect back to the worker needs and to not assume you know what those are, to assess those more frequently, and to not assume everyone is the same and has the same needs and treat everyone the same. We have a chapter about this in our trends report. There's a tendency to look at things in terms of generations and focus on a particular generation, and that's also not the best way. Again, it goes back to looking at those worker needs and being agile to adjust based on what you're trying to achieve for and with your workforce.

David: And obviously just focusing on the work itself and what's involved. Given this, and Bruce, I'll start with you, but Jill, I absolutely want your perspective. Given this shift in focus to the work, to a more clearer notion of what the workforce needs, the experience of the workforce and so on, and its fundamental connection to the organizational performance, who owns this? Where should these kinds of initiatives sit in the organization?

Bruce: So, I think the easy answer when we've thought about traditional employee welfare, one would say the CHRO. However, through the course of our conversation today, we've clearly drawn the relationships between employee satisfaction, employee welfare, and business productivity and business profitability. So, I believe that this is truly a multidisciplinary responsibility within the organization. So, it's obviously the CHRO, but also the CFO, the CIO, various levels. In this case for Learning Care Group, it was also their education or operations group that played a large role in solving this challenge for them. So, I think organizations need to start bringing all elements at the C-level together and both investigate where the friction points are, where the intersections are between employee welfare and business performance, and then come up with solutions that address the relationships between those two traditional points.

Jill: I think that is a great question. You know, in our survey we found that only 26 percent of organizations reported that their leaders consistently practice and promote well-being. Now that was prior to COVID-19, so as I've said, I think it's a huge shifting point and opportunity here, if 26 percent practiced and promoted it prior, I think most CEOs have been talking about well-being in the current environment. But our trends survey also found there was really no clear consensus on who was the owner. There were very mixed results, but when we took a deeper dive into that and looked at the subset organizations with a more evolved well-being strategy, that more comprehensive approach

we talked about and those connections to employee experience, we found those organizations were more likely to identify HR as the primary owner for driving well-being. They can't own it alone, and we talk about it needing to be a collaboration and especially part of the workforce experience, but we did find that you need to have someone be accountable and own for it, and it seems like HR is the best place for that.

David: I would like us to talk a bit about some of the barriers that we think are preventing organizations from going there. Is this notion of ownership, of getting the right people around the table, is this one of them?

Jill: It has been. I mean, I think the 26 percent stat shows that it hasn't always gotten the elevated attention that it needs, the connection, again, into broader strategies and workforce experience. I also think you're probably going to hear this more and more, is it going to be connected into the work itself? It's been seen a bit more as programs or things that can be applied after the fact, and it hasn't been as much about impacting or trying to prevent or create more well-being through the work.

David: Do you have advice for organizations about how to make this case, how to start to create . . . to raise that profile?

Jill: Yeah, I mean, the first is take advantage of our unfortunate current environment and the fact that well-being is top of mind for all leaders and for the workforce, and the ability to make an impact is never more important than now, when we see the well-being challenges we have. I think the other is if you didn't have a strategy, now is the time to have a strategy or to adapt a strategy based on the workforce needs, and then to really align that to the business goals and objectives and make sure that you're able to consistently measure outcomes and set yourself up for being able to monitor that success and to understand worker needs and preferences, and be able to adjust based on those going forward as well.

David: Bruce, what advice would you give to a client who knows the right answer, they just can't convince the rest of the organization of the question.

Bruce: So again, the biggest opportunity for driving well-being in your organization is to integrate it into the design of the work itself. And if you look at some of the business outcomes that you're trying to achieve, don't just review or analyze it from the point of view of how do I make people happier or separately, how do I increase the productivity of the business? The two are clearly linked. Happy employees perform at a better level and they produce at a better level, so as we just discussed a moment ago, tie your business outcomes and your employee welfare initiatives to each other and look for the connections on how to make employees happier and, therefore, increase their overall productivity.

Jill: Hey, David, one stat that you'll probably remember or be familiar with that's one of my favorites to this point of how to prove or how to get others on board is, according to our high-impact rewards research, high-performing organizations are 11 times more likely to have a broad employee well-being strategy that extends beyond wellness than lower performing organizations. Eleven times is pretty strong results for one of our studies, and I think that shows that there is a connection between well-being and successful organizations.

David: Yes, I very much appreciate the callout. So, let's wrap up with a looking forward question. Two parts, the first is a great first step. What would you say is a great first step to organizations trying to begin this journey, and where do you think this goes? What's the future of well-being as something that organizations pay attention to? Bruce, I'll start with you.

Bruce: So, the first part of that, again, is I firmly believe bringing all elements of the business together to consider these challenges. Don't just look at well-being as a CHRO or an HR challenge to address. Bring

the different elements of the organization together, look at it as a multidisciplinary challenge and therefore a multifaceted solution. And then as far as the future, I do see technology providing opportunities to help enable some of these solutions. Technology is not the solution in and of itself, clearly. However, as we heard with Learning Care Group, they were able to leverage technology as a means for supporting their wellbeing initiatives. And so I would encourage organizations to not only consider well-being initiatives that use communication or employee feel good metrics, but also look for ways to, again, embed well-being in the daily work, and technology may have a place in that solution for you.

Jill: Yeah, great. I would say to underscore what I've said as well is the first step is really to understand your workforce and what makes them unique and their needs and involve them both in describing those needs, but also involve them in things like the design of work or in the interventions that you intend to make part of your strategy and plan. And then, in terms of looking at the future, another shift in the future, I would say, is we're talking a lot about worker well-being, but there is an aspect of looking at well-being across the social enterprise, something we talk a lot about in our trends reports. The ecosystem beyond the workers, so their families, their customers, their supplier partners, their communities, and society at large. And I would say some of the questions in the future are, does the organization's responsibility for well-being stop with its own workforce, or is there a need to make a positive impact beyond that group? And will and how organizations be kept or held accountable for that? I think the global pandemic has put a spotlight on an already pressing need for organizations to address it for their workforce, but part of this responsibility of being a social enterprise can also look beyond just that to the broader ecosystem and hold ourselves and our organizations accountable for well-being in the broader society.

David: Thanks, Jill. I want to thank my two guests today, Bruce Shaffer and Jill Korsh, for joining me on this conversation, and thank you all for giving us a bit of your time. Till next time.

As the concept of well-being in the workplace continues to evolve, we can expect to see more organizations taking steps to build well-being into the fabric of the work itself. The result will likely be a more engaged workforce but also better organizational performance. Thanks to my colleagues, Bruce Shaffer and Jill Korsh, for sharing their perspective on well-being. And thanks again to Judy Fimiani, chief human resources officer at Learning Care Group. In addition to tuning in today, remember you can also read the Human Capital Trends report at www.deloitte.com/HCTrends. Let us know what you think of Capital H. Rate us on whatever service you used to find us and look us up on social media. We'd love to hear from you. Thanks again, and we hope you continue to join us as we explore the topics and trends that focus on putting humans at the center of work.



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