Why reporting workplace well-being metrics is a good idea

By Colleen Bordeaux, Jen Fisher, and Anh Nguyen Phillips
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People want to improve well-being at work, but first they need to know where it stands. Transparency through public disclosure is a good place to start.

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Spurred by lingering fallout from the pandemic, financial pressures, and other factors, stress in the workplace continues to rise. A 2022 Deloitte cross-industry study confirms the scope of the problem: Only 59% of surveyed employees said that their well-being was good or excellent, and the most-cited factors acting against well-being across both employees and C-suite executives were a heavy workload or a stressful job (30%) and not having enough time because of long work hours (27%).

This could spell trouble for employers. When worker well-being (defined holistically to include physical, mental, financial, and social aspects) suffers, productivity often declines and health care costs frequently rise. Presenteeism, which costs US employers US$150 billion a year in lost productivity,1 can escalate. And that’s not all. Some four million workers have been voluntarily leaving their jobs each month in the United States alone—a ballooning exodus that has been termed the “Great

Resignation”—and a lack of well-being is a leading suspect. A Randstad study found that 56% of employees age 18–24 say they would quit a job that prevented them from enjoying their lives; 38% of those 55–67 agreed.

The upside of well-being is just as compelling. People want to work for organizations where workers thrive. Fifty-nine percent of employees in the Deloitte study said they would seriously consider taking a job with a company that offers better well-being benefits than their current employer. High employee well-being can make an organization more attractive to customers and investors as well.

The challenge, though, is that it’s hard to know whether worker well-being—actual well-being, not just employers’ investment in it—is high or low. While some organizations track program and benefit usage or survey employees about their stress levels, these typical metrics don’t get to the heart of what’s essential to any organization where workers thrive: a culture that supports well-being. Today, people learn about a particular organization’s workers experience well-being largely through word of mouth—Glassdoor, Vault, conversations with friends and family. But this information is often subjective, influenced by factors such as recent workplace events, listener expectations, and even a person’s mood.

But what if organizations publicly reported metrics on their workforce’s well-being? The desire for this is evident, as are the potential benefits. In the Deloitte survey, 55% of the employees and 77% of the C-suite executives believed that companies should be required to publicly report workforce well-being metrics. What’s more, a majority of both employees and C-suite executives said they would trust their company more if it publicly reported on well-being, and that they would be more likely to take a job with a company that did so.

Publicly disclosing metrics on worker well-being may seem radical, but it has a precedent: the evolution of environmental, social, and governance (ESG) reporting. As ESG has become more of a priority among customers, investors, and workers, companies responded by creating and publicly disclosing ESG metrics. These metrics eventually became so important that regulators in many geographies, including the United States, the European Union, South Africa, Australia, and China, now mandate their disclosure. Governing bodies have also been working to standardize ESG metrics and reporting frameworks, which would allow stakeholders to reliably compare organizations’ ESG performance.

The same could happen with well-being as public interest grows. Well-being touches every worker and their families, and many want something done about it. Recent media coverage has put well-being squarely in the public eye, elevating it as an important societal concern. The Great Resignation has sent employers scrambling to use every available lever, well-being prime among them, to attract and retain workers. For all these reasons, organizations have much to gain from metrics that can help them better understand worker well-being and communicate about it to their stakeholders.

Well-being metrics don’t have to be “squishy” or based wholly on self-reporting, though self-reported data would likely be a crucial input. Along with gauging workforce sentiment with surveys and interviews, organizations can measure observable proxies that assess well-being in an empirical way. For example, organizations could track the percentage of workers who use their entire time-off benefit, the amount of overtime people put in, or the volume of work-related emails sent on weekends. Attribution rates could shed light on the quality of workers’ relationships with their supervisors. Organizations operating in company-provided facilities can use frameworks such as the WELL Building Standard to gauge workers’ likely physical well-being at work. They could also analyze insurance claims to understand whether workers are seeking more or less medical attention over time. Combining metrics like these with explorations of workers’ lived experience would likely help leaders develop a nuanced, actionable understanding of well-being across the organization.

Organizations can benefit from sharing well-being metrics internally as well as externally. People at all levels want to feel they can be open about their well-being, especially as it relates to their work. Transparency among the C-suite is especially important. In the 2022 Deloitte study, 72% of the workers at organizations whose executives were transparent about well-being rated their own well-being as above average, compared with just 57% of workers at organizations with less-transparent executives.

It remains to be seen if well-being reporting will follow in ESG’s footsteps. But the growing recognition of well-being’s importance may mean that the process is already underway. Reporting on well-being could be the next evolution in disclosure—with the prospect of benefiting workers, employers, and society as a whole.
Most employees and C-suite executives we surveyed favor publicly reporting well-being metrics

- **Believe that organizations should be required to publicly report well-being metrics**
  - Employees: 55%
  - C-suite executives: 77%

- **Would trust their company more if it publicly reported workforce well-being metrics**
  - Employees: 53%
  - C-suite executives: 77%

- **Would be more likely to take a job with a company that publicly reports workforce well-being metrics**
  - Employees: 52%
  - C-suite executives: 77%

Endnotes

P16
Where global execs stand on making health equity a business priority

P17
The potential impact of a broken DEI promise
1. Jennifer Tonti and Jill Mizell, “95% of Black Americans agree that it’s important for companies to promote racial equity. 80% believe they can do more,” JUST Capital, April 1, 2021.

P20
Addressing the link between financial, physical, and emotional health
4. According to the 2017 FDIC National Survey of Unbanked and Underbanked Households, “underbanked” are defined as those who have a checking or savings account and used one of the following products or services from an alternative financial services provider: money orders, check cashing, international remittances, payday loans, refund anticipation loans, rent-to-own services, pawn shop loans, or auto title loans.

P25
Data-protection tech that helps AI fulfill its potential
1. This article and *Deloitte Insights Magazine* are independent publications and have not been authorized, sponsored, or otherwise approved by Apple Inc.

P26
Automation won’t end the labor shortage
2. Ibid.
3. Ibid.

P28–31
The new supply chain equilibrium

P32–34
Collaborative advantage: Activating the power of many

P35–37
Why reporting workplace well-being metrics is a good idea

P38–39
Employee health contributes to organizational health
Smart cities, smarter public health

5. United Nations, “68% of the world population projected to live in urban areas by 2050, says UN,” May 16, 2018.
10. Ibid.
11. Ibid.
16. Ibid.
17. Ibid.
Investing in creative potential

1. An ecological approach is one that is focused on the relationship between the individual and the systems in which they act, a relationship that is seen as interdependent. Ecological psychology is an embedded, situated, and nonrepresentational approach pioneered by J. Gibson and E. J. Gibson.

2. The four P’s framework — where creativity is framed as an emergent property of person, process, place (in the original), and product — was first discussed in M. Rhodes, “An analysis of creativity,” The Phi Delta Kappan 42, no. 7 (1961): pp. 305–10.

3. Rhodes’s original article calls this setting “press” rather than “place,” the idea being that there are pressures (or influences) on our behaviors. While it’s true that the social and physical context we find ourselves in influences our creative behavior; it is also true that some of these influences are not necessarily environmental. Consequently, it is common for press to be replaced by place, as we have throughout this essay, as place is a more intuitive term; ibid.

4. A useful, and short, definition for innovation is “the economic exploitation of creativity.”


7. Problem-posing is a technique where an issue is framed and reframed to try and identify and define the core challenge. It is commonly used in both education pedagogy and design.

8. It’s for this reason that the 1978 Superman film has a long section at the start showing the challenges Clark Kent faces when trying to fit into society while having superpowers.


10. What we have referred to as “cognitive diversity” is often called “functional diversity” in the literature; ibid.

11. Thanks to Peter Williams—a charted accountant—for the analogy.

12. Traditionally, this has been approached through office-space design, from inspirational decor to collaborative tools such as stages, small auditoriums, and floor-to-ceiling whiteboards. But increasingly, place can be just as much virtual as physical as organizations invent new ways to collaborate digitally, perhaps even in the imagined metaverse of coming years.

13. The first report in this series, Unshackling the creative business, discussed how creativity in business is contingent, in that the creativity of one team depends on the creativity of others; see Peter Evans-Greenwood et al., Unshackling the creative business: Breaking the tradeoff between creativity and efficiency, Deloitte Insights, April 9, 2021.


15. The authors developed on “investment opportunity” in the previous essay in the series Setting the stage for creative performance. The intention with “investment opportunity” is to put creativity on an equal footing with efficiency in an organization’s operating model by creating a metric for creativity to balance cost-benefit; see Peter Evans-Greenwood et al., Setting the stage for creative performance: Improving creativity in business by measuring creativity, Deloitte Insights, October 29, 2021.


20. We might compare this to the Four-C Developmental Trajectory for creativity, which breaks the development of creativity into a journey from Mini-C (personal creativity) through Little-C (everyday creativity) and Pro-C (professional creativity) to Big-C (legendary creativity). See Ronald A. Beghetto, James C. Kaufman, and John Baer, Teaching for Creativity in the Common Core Classroom (New York: Teachers College, Columbia University, 2014), pp. 21 and 27.

21. Such as a pandemic. Indeed, this series was triggered by the observation (toward the end of the first year of the pandemic) that many otherwise “creative” organizations struggled to respond creatively, while some organizations not particularly known for their creativity provided creative and innovative responses.
little or no increase in generation reserves (see American Clean Power Association, AWEA US wind industry annual market report, year ending 2013, 2013). MISO has been able to integrate huge amounts of wind without adding power plants to back up its renewable energy production, partly because MISO is a large balancing area with many different energy resources available (see Glen Anderson, “Integrating renewable energy,” National Conference of State Legislatures, June 20, 2016). The IEA could not be any clearer: No additional dispatchable capacity ever needs to be built because VRE is in the system. On the contrary, to the extent of the capacity credit of VRE, its addition to the system reduces the need for other capacity (see American Clean Power Association, “News roundup: A carbon-free Iowa energy boom, renewable integration is easy, wind and solar work together,” March 5, 2014).

17. Variable renewable energy (VRE) refers to utility-scale wind and solar resources as well as distributed solar PV. Distributed wind is also a VRE, but volumes are low, and data was not available for this analysis.


19. Ibid.


30. MISO, “Corporate fact sheet.”


32. Ibid.


35. California ISO, Root cause analysis: Mid-August 2020 extreme heat wave, January 13, 2021. While some have attributed California’s electricity supply shortages to VRE, the causes appear more related to demand surges from unprecedented multistate heat waves coinciding with wildfires that constrained transmission and triggered systemwide failures (for more details, see Ken Silverstein, “Green energy is not among the culprits behind California’s energy crisis,” Forbes, September 8, 2020). Nevertheless, California’s plans to prevent future shortages include accounting for the state’s changing generation mix.


48. Ibid.

49. Ibid.

50. IEA, The role of critical minerals in clean energy transitions, May 2021.


65. Anmar Frangoul, “Renewable electricity generation is growing—but it’s not enough to meet rising demand, IEA says,” CNBC, July 15, 2021.


68. Edison Electric Institute, “The clean energy transformation: Electric companies are leading the way,” accessed May 10, 2022.


70. Deloitte analysis of data from S&P Global Market Intelligence.

71. Joseph Rand et al., Quelled up: Characteristics of power plants seeking transmission interconnection as of the end of 2020, Lawrence Berkeley National Laboratory, May 2021, p. 3.


P88

The end note: The shifting balance between health, safety, and financial concerns


2. Ibid.

3. Ibid.
The shifting balance between health, safety, and financial concerns

Some research and insights have a short shelf life, while others continue to gain color and context. In each issue of Deloitte Insights Magazine, we look back on research we published and ideas we pitched, and evaluate whether they’ve stood the test of time.

By Stephen Rogers
Managing director of Deloitte’s Consumer Industry Center

What we said then

“In the span of a few months, what started as a global health crisis morphed into an economic one as well. It’s been more than a century since the world has seen these two forces so intertwined. We do not expect to see a return to normal, or even a new normal, until total concern descends from its elevated level and financial concerns overtake those of immediate health and safety.”

What we say now

We’re still in a dual-front crisis, according to the Deloitte Global State of the Consumer Tracker. However, after lagging behind for the better part of two years, financial stress is now overpowering health and safety concerns as the primary determinant of consumers’ decision-making by quite a strong margin.

Following omicron, global pandemic anxiety subsided dramatically among the 23,000 respondents across 23 countries who participated in our monthly consumer survey. Consumers’ perceived safety of doing everyday things like going to the store quickly reached two-year highs, and it continues to improve with each passing month.¹

At the same time, record inflation continued unabated, exacerbated by geopolitical conflict. And with government stimulus programs no longer around to help consumers make ends meet, financial sentiment metrics have begun flashing warning signals. Globally, financial anxiety is high—as is concern around inflation, and consumers’ level of savings and credit card debt.² In some countries, including the United States, China, and England, discretionary spending intentions are weakening.³

In many ways, consumer businesses face similar challenges compared to early pandemic days. They still need the agility to respond to rapidly changing consumer behavior. And few can predict the extent of the financial headwinds that lie ahead.

Even as the pandemic gradually fades, many companies are finding that prepandemic financial and forecasting models no longer work. The “new normal” remains elusive.⁴