Rethinking the Role of Organizational and Employee Wellbeing: Why Both are Critical to Your Pool’s Business Success

Jon Robison, Ph.D., M.A., M.S., CIC®
Which One Is The Living Teddy Bear?
Agenda - A Tall Order

Organizational Health
Leadership
Culture
Employee Wellbeing
Healthcare Costs
Social Determinants
Mideast Peace
Agenda - A Tall Order

Organizational Health
Leadership
Culture
Employee Wellbeing
Healthcare Costs
Social Determinants

“Rehumanizing” The Workplace
“Just How Things Are Done Around Here"
State of The American Workplace
“A Humanity Crisis”

$450-$550 billion dollars a year

“7 out of 8 people in our workforce go home every day feeling they work for a company that doesn’t care about them.”

Bob Champan (CEO, Barry-Wehmiller)
What Happens When Workplaces Become Dehumanized...
De-Humanized Workplaces

Stress is the number one factor in rise of chronic disease
73% of Americans have unmanageable stress
The #1 cause is heightened stress at work
Global Epidemic - “Death By Overwork”

Japan

KAROshi 過労死

China

Guolaosi
600,000 people per year!
1600 per day!

“Right to disconnect”
U.S. - Cost of De-Humanized Workplaces

- $180 billion in additional healthcare expenditures
- Can cause up to 120,000 excess deaths per year
- Fifth leading cause of death

Source: Jeffrey Pfeffer (2018), Dying for a Paycheck
https://www.youtube.com/watch?v=LL-pKEHMcE
U.S. - Cost of De-Humanized Workplaces

Negative job conditions affect individual’s:

- Drinking
- Smoking
- Drug abuse
- Overeating

Source: Jeffrey Pfeffer (2018), Dying for a Paycheck
https://www.youtube.com/watch?v=LL-pkKEHMcE
A Humanity Crisis

https://www.youtube.com/watch?v=njn-IIEv1LU
A Dangerous Myth

1%

Likelihood of being fulfilled in life if not fulfilled at work.

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2018 Imperative Workforce Study N=1,038
Imagine a World Where...

Workplaces are more human-so that everyone can bring their best selves to work, find fulfillment and be able to show up authentically human, and can go home the best version of themselves each day.
2 Biological Imperatives of Life

1. Life must be free to create itself - something is “alive” if it has the capacity to create itself: “autopoiesis”

2. Life is systems seeking - there is the need to be in relationship

Source: Margaret Wheatley, *Finding Our Way: Leadership for an Uncertain Time*
Self-Determination: At The Root of Life

Self-Organizing

Self-Managing
Self Determination - At The Root of Life

Thousands of chemical processes happening concurrently and in coordinated fashion.

100 billion neurons processing 400 billion pieces of information every second.
Self Determination - At The Root of Life
Humans - Complex Living Systems

Brian Robertson - https://www.youtube.com/watch?v=TJxfJGo-vkl
Organizational Health
Scientific Management

a.k.a.
Control the Machine
Each man must give up his own particular way of doing things, adapt his methods to the many new standards and grow accustomed to receiving and obeying instructions, covering details large and small, which in the past had been left to individual judgment. The workmen are to do as they are told.
Rethinking The Nature of Organizations
As Living Systems...

These days, a different ideal for organization is surfacing. We want organizations to be adaptive, flexible, self-renewing, resilient, learning, intelligent - attributes found only in living systems. The tension of our times is that we want our organizations to behave as living systems, but we only know how to treat them as machines.”

http://www.margaretwheatley.com/articles/irresistiblefuture.html
“VUCA” - The New Disruptive Reality

- Demographic Upheavals
- Digital Technology
- Social Media
- Rate of Change
- New Social Contract

https://www.youtube.com/watch?v=9yg_BLNSYZU (5 min.)
“The days of the top-down hierarchical organization are slowly coming to an end, but changing the organizational chart is only a small part of the transition to a network of teams. The larger, more important part is to change how an organization actually works.”
Organizational Health

In order for an organization to succeed

SMART
• Strategy
• Marketing
• Finance
• Technology

HEALTHY
• Minimal Politics
• Minimal Confusion
• High Morale
• High Productivity
• Low Turnover
Organizational Health

In order for an organization to succeed

“I’ve become absolutely convinced that the seminal difference between successful companies and mediocre or unsuccessful ones has little, if anything, to do with what they know or how smart they are; it has everything to do with how healthy they are.”

https://www.youtube.com/watch?v=PdPYUJaLyzs
Leadership vs. Management
In A “VUCA” World
Consequences of Jerk Bosses

• Reduced productivity and commitment to their employer
• **Heightened depression, anxiety, anger, irritability, and burnout**
• Difficulty concentrating at work
• Sleep disturbances
• Reduced job satisfaction

https://www.youtube.com/watch?v=LD58-udpco
Failing to Develop Leaders

• Most leaders don’t receive training until **10 years into their careers**

• **47% of new supervisors receive NO leadership training**

• Only 7% of organizations invest in mentoring & coaching

• 2 million Millennials promoted into leadership positions each year
The Work of Leadership...

...We have to go through this transition where we are no longer responsible for the results; we now become responsible for the PEOPLE who are responsible for the results. We are no longer responsible for taking care of the customer; we’re now responsible for the PEOPLE who are taking care of the customer. THIS is what leadership is.”

https://www.youtube.com/watch?v=INjECrw7YYs

Simon Sinek
Management vs. Leadership

**Management:**
The manipulation of others for personal gain

**Leadership:**
The awesome responsibility to help those around us rise

Simon Sinek
Managing “Upside Down”

Rather than telling employees what to do
Ask them what they think needs to be done

Rather than handing objectives to employees
Ask employees to set them

Rather than giving employees performance feedback
Ask them how they think they are doing

Rather then telling employees how to fix a problem
Ask them what they think they should do to fix it

https://www.youtube.com/watch?v=A0u4wWUOxZM
Redefining Leadership

“Leadership is about becoming the best version of yourself in order to maximize your positive impact on the world.”

https://www.youtube.com/watch?v=6sjrMPwT0tA
Redefining Leadership

The Old Alpha - Achievement

The New Alpha

• Achievement

• Fulfillment - happiness/wellbeing

• Impact - making a difference beyond ourselves (personal excellence, relationships, character and ethics)

https://www.youtube.com/watch?v=6sjrMPwT0tA
Sustainability: Developing a Leadership Mindset in Everyone

1. Enhancing Self-Awareness
2. Build Effective Thinking Skills
3. Develop Quality Relationships
4. Growing The Organization
Leadership is a BEHAVIOR, Not a Title
Distinguishing Culture From Climate
Culture Defined

Culture is the deeper level of basic assumptions and beliefs that are shared by members of an organization, that operate unconsciously and define in a basic 'taken for granted' fashion an organization's view of its self and its environment.

Edgar Schein, Ph.D.
Workplace Culture?

• Organization provides anti-fatigue mats, sit-to-stand workstations, ergonomic evaluations and onsite fitness classes.

• Fresh fruits and veggies are delivered 2x/week and your organization has a healthy food policy for events.

• Management team is expected to promote safety & wellness programs and participate in events.

• Flexible work schedules allow for supporting work-life integration.
Workplace Culture vs. Workplace Climate
Healthy Workplace Culture

- Employees understand how work fits with vision/purpose
- Cohesive Leadership
- Physical & Psychological Safety
- Meaning and Purpose
- Clear rules apply to everyone
- Clear communication prized
Psychological Safety

“No vulnerability, no creativity. No tolerance for failure, no innovation. If you’re not willing to fail, you can’t innovate. If you’re not willing to build a vulnerable culture, you can’t create.

https://www.netflix.com/title/81010166

~Brene Brown, Braving the Wilderness
Healthy Workplace Culture
The Key To Organizational Effectiveness

HEALTHY

• Minimal Politics
• Minimal Confusion
• High Morale
• High Productivity
• Low Turnover

“Culture eats strategy for breakfast...operational excellence for lunch...and everything else for dinner.”

Peter Drucker
Healthy Workplace Culture
The Key To Organizational Effectiveness

The Firms of Endearment (FoEs)

- 28 widely loved companies
- Humanistic (value for ALL stakeholders)
- Company culture is the biggest competitive advantage

https://www.youtube.com/watch?v=YD7Ieqt5Ggc
Firms of Endearment (FoEs)
## FoEs vs. S&P 500

Investor return over 15 years

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<th>S&amp;P 500</th>
<th>U.S. FoEs</th>
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<td>118%</td>
<td>1681%</td>
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More than an 14-to-1 ratio!

Updated Performance Data: http://www.firmsofendearment.com/
Conscious Capitalism

“This is what we know to be true: **business is good** because it creates value, **it is ethical** because it is based on voluntary exchange, **it is noble** because it can elevate our existence, and **it is heroic** because it lifts people out of poverty and creates prosperity.”

https://www.consciouscapitalism.org/
“We need red blood cells to live (the same way business needs profits to live) **but the purpose of life is more than to make red blood cells.**"
Employee Wellbeing
The “Wellness or Else” Experiment
The Thriving Organization Pyramid™

Wellbeing Programs and Resources
Evidence-based, voluntary and comprehensive: career/purpose, financial, physical, emotional, social and community.

Supportive Climate
Policies, procedures, practices and environment align with desired culture.

Effective Communication
Frequent, clear and consistent communication that creates transparency.

Trust, Connection, and Support
Psychological safety is created for teams; and genuine, caring relationships exist between employees at all levels.

Purpose Over Profit
The organization has a “why” beyond profit that empowers employees to feel part of something meaningful and bigger than themselves.

Quality Leadership
Cohesive team comprised of authentic, servant leaders who create the conditions for the organization to grow and employees to flourish; a leadership mindset is developed at all levels.

Humanistic Culture
The underlying attitudes, beliefs and values support employees as human beings desiring and deserving of autonomy, mastery and purpose rather than mindless machines that need to be controlled.

21st Century Organizational Design
Moving away from top-down hierarchies of control to more informal, interconnected, flexible networks of teams.

The Fusion
The “Wellness or Else” Experiment

The Rhetoric

“Safeway designed such a plan in 2005 and has made continuous improvement each year. The results have been remarkable, our health care costs for four years have been held constant.”
The “Safeway Amendment”
The Rhetoric

“It’s a program that has helped Safeway cut health-care spending by 13 percent and workers save over 20 percent on their premiums...And we’re open to help employers adopt and expand programs like these.”
The “Safeway Fiasco”

The Reality

- Costs declined by 2.5% in **2006**
- Program was not implemented until **2009**
- **1st year of the program costs rose steeply**

http://ilovebenefits.healthcarebenefitsnetwork.com/?p=3284
Tying Health Outcomes to Insurance Premiums

“Although it may seem obvious that charging higher premiums for smoking (body mass index, cholesterol, or blood pressure) would encourage people to modify their habits to lower their premiums, evidence that differential premiums change health-related behavior is scant... 

Tying Health Outcomes to Insurance Premiums

...Indeed, we’re unaware of any insurance data that convincingly demonstrate such effects.”

“Wellness or Else”
The Invalid Assumptions

- High Healthcare Costs
- Medicalizing the Workplace
- Rewards & Punishments
  https://www.youtube.com/watch?v=VGrets0E6I
- Participation vs. Engagement (compliance)
  https://www.youtube.com/watch?v=-Nh42Uias-Y&t=361s – part 1
  https://www.youtube.com/watch?v=p6Qt987OeMg – part 2
Willis Towers Watson survey reveals strong employee disdain for clinical wellness programs, with record-low Net Promoter Score of -52.

Biometric Screens, HRA’s, Weight Loss Programs

“Those changes are not large enough and the relationships between health risk and spending too weak, to result in reduction of health care cost let alone in return of investment.”

Assuming an average cost of a family employer health plan of approximately $16,000, about $4,800 of that (30%) might be at risk for failure to meet such benchmarks. With a median annual income of about $50,500 per year, this penalty would account for almost 10% of yearly income.
“Wellness or Else” - The Bottom Line
Dr. Soeren Mattke

“In my mind, exposing the most vulnerable employees to that level of pressure would be sound policy if, and only if, workplace wellness programs were powerful enough to reverse years of deeply engrained behaviors.”

“Wellness or Else” - The Bottom Line
Dr. Soeren Mattke

“Our data show that they are not even attracting more than a quarter of employees and have a modest impact on those who participate. That is why I believe it is time to start rethinking workplace wellness, and come up with models that are both fairer and more effective.”
Workplace Wellness - The Research

The Outcomes, Economics, and Ethics of the Workplace Wellness Industry
http://scholarlycommons.law.case.edu/cgi/viewcontent.cgi?article=1600&context=healthmatrix

How Assuming Autonomy May Undermine Wellness Programs
http://scholarlycommons.law.case.edu/cgi/viewcontent.cgi?article=1603&context=healthmatrix

The EEOC, the ADA, and Workplace Wellness Programs
http://scholarlycommons.law.case.edu/cgi/viewcontent.cgi?article=1602&context=healthmatrix

The Dubious Empirical and Legal Foundations of Workplace Wellness Programs
http://scholarlycommons.law.case.edu/cgi/viewcontent.cgi?article=1601&context=healthmatrix

What Do Workplace Wellness Programs Do? Evidence from the Illinois Workplace Wellness Study.
http://www.nber.org/workplacewellness/s/IL_Wellness_Study_1.pdf

Effect of a Workplace Wellness Program on Employee Health and Economic Outcomes: A Randomized Clinical Trial - https://jamanetwork.com/journals/jama/fullarticle/2730614
Organizational and Employee Wellbeing
What Does Save Money?
“Most research suggests that the best way to reduce medical spending and absenteeism is to establish a culture that makes people want to go to work.”

TOM EMERICK
former VP Global Benefit Design, Wal-Mart Stores, Inc.
What DOES Save Money
The American Health Care System

“The problem isn’t the people, it’s systemic: our health care system is crushing the altruism right out of physicians and nurses. At the same time, it’s crushing the hopes and dreams of middle-income families.”

David Contorno - https://vimeo.com/256499327
https://healthrosetta.org/
What DOES Save Money
The American Workplace

- Company Sponsored Centers of Excellence

- Leapfrog Hospital Safety Scores
  http://www.leapfroggroup.org/cp

- Co-ordinated Care Model
  https://catalyst.nejm.org/what-is-care-coordination/

- Chronic Disease Self-Management
  https://www.cdc.gov/arthritis/marketing-support/1-2-3-approach/docs/pdf/provider_fact_sheet_cdsmp.pdf

- Choosing Wisely®
  https://www.choosingwisely.org/

- Quizzify
  https://www.quizzify.com/
What DOES Save Money
The American Workplace

70% of U.S. workers are not engaged

$450-$550 billion dollars a year

Servant Leaders
Healthy Culture
Autonomy, Mastery, Purpose
What DOES Save Money
Employee Wellbeing

- **Autonomy**
  Employees being able to think for themselves and direct their own actions

- **Mastery**
  Opportunities to learn, grow & become highly skilled

- **Purpose**
  Work that is meaningful & connected to a greater purpose
**Take Home**

**Organizational Effectiveness** depends on culture – “creating the conditions”

**Leaders** inspire and take care of those in their purview - like family

**Wellness** can help with recruitment, retention, and productivity but it is not a health care cost savings strategy

**Employee wellness/wellbeing** begins at the bottom of the pyramid.
Take Home

Where to Direct Critical Resources
For Organizational Health and Employee Wellbeing

• Culture
• Leadership Development
• HealthCare
• Wellbeing Programs/Resources
The Bottom Line

“Everyone wants to do better. **Trust Them.** Leaders are everywhere. **Find them.** People achieve good things, big and small everyday. **Celebrate them.** Some people wish things were different. **Listen to them.** Everybody matters. **Show them.**