



Thrive Cultures Versus Burnout Cultures:

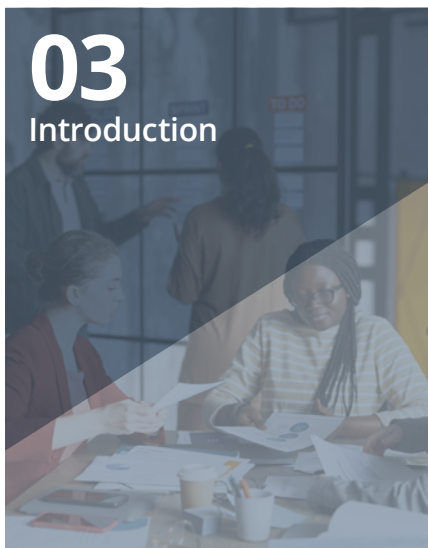
The Key Ingredients for a Successful
Holistic Wellbeing Program

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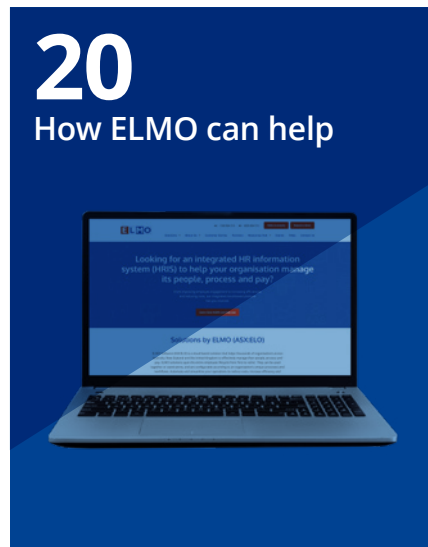
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Introduction

The impact of the pandemic on economic activity, employment, and the way we work has been far-reaching. All of this has substantially impacted the world's collective wellbeing and of course, this state of unease has flowed into workplaces.

As workers grappled with prolonged uncertainty about the future, job insecurity, and lockdown-induced feelings of isolation – among a host of other pandemic-related grievances – the duty of care employers have for their employees, especially in relation to their wellbeing, suddenly assumed unprecedented levels of importance. One thing is certain: the past few years have placed employee wellbeing firmly on HR's agenda.

Fast forward to now and many countries around the world are learning to live with COVID-19 in the community, signalling what could be the end phase of the pandemic. But for many people, the impact of the uncertainty and isolation we've experienced will be long-lasting. What's more, the impact of soaring inflation, energy and grocery prices has taken its toll on employees around the world.

With the global markets preparing for a downturn, the economic uncertainty experienced during the height of the pandemic looks set to continue. Organisations should be cognizant of the financial stress many employees are under and the flow-on impact on both mental and physical health.

What the pandemic and its aftershocks have reminded us is that employee wellbeing must be taken seriously through the good times and the bad. Failing to look after employee wellness costs organisations in lost productivity, absenteeism, and often their high performers.

Employee wellness programs, while being just one building block when it comes to cultivating mentally and physically healthy workforces, help staff to adopt behaviours that improve their wellbeing – creating a happier, healthier, and more productive workforce. In this eBook, we discuss the state of employee wellbeing today, how to develop successful holistic employee wellness programs, avoiding workforce burnout and how to build a culture in which employees can thrive.



Employee wellbeing programs: where are we today?

According to [ELMO's 2022 HR Industry Benchmark Report](#), which surveyed over 1500 HR professionals across Australia and New Zealand (A/NZ), employee wellbeing ranked as the top priority for the year. Just over half (53%) said it was a high priority for their organisation, while a further 35% said it was a medium priority. It's also an area in which HR professionals want to upskill. Managing employee wellness ranked in third place in a list of skills HR professionals were planning to develop over the next 12 months. The same report found 37% of respondents said HR budgets for employee wellness had increased from the previous year. That employee wellness is being given such high importance during what continues to be a stressful, uncertain time for many employees is encouraging. But how can employers be sure their employee wellness initiatives are really moving the dial?

The state of employee wellbeing programs today, according to research:

- ✓ 9 in 10 organisations across the globe offer employees at least one kind of wellness benefit¹
- ✓ 3 in 5 global organisations have dedicated “wellness budgets”²
- ✓ \$66 billion – how much the workplace wellness market is projected to grow by 2022²
- ✓ 78% of workers believe their employer was responsible for making them ‘Net Better Off’ across the six main wellbeing indicators: financial, emotional & mental, employable, relational, physical, and purposeful³
- ✓ 79% of HR managers believe their company performs well in the area of employee wellness, compared to 62% of employees⁴

As the top-right statistic illustrates, research highlights some discrepancies between employer and employee perceptions of employee wellness programs.

Throwing money behind employee wellness initiatives is all good and well. But too often, these wellness programs are misguided, appealing to some employees while alienating others; boosting Glassdoor ratings but barely moving the dial on overall workforce wellbeing.

Free yoga sessions and smoothies are just one part of the puzzle. Successful employee wellness programs complement a psychologically safe culture, rather than serve as a band aid for a poor one. In addition to having the foundational elements of psychological safety and a healthy work/life balance in place, employee wellness programs should incorporate the four pillars of Financial, Emotional, Physical and Social – which this eBook will discuss over the next few pages, along with some practical ideas on initiatives to offer.

4 key wellness pillars

To have a positive and sustainable impact on employee wellbeing, it's strongly recommended that employers address four key pillars of wellness: Financial, Emotional, Physical and Social. This chapter explores those pillars in more detail.

Pillar #1: Financial wellness

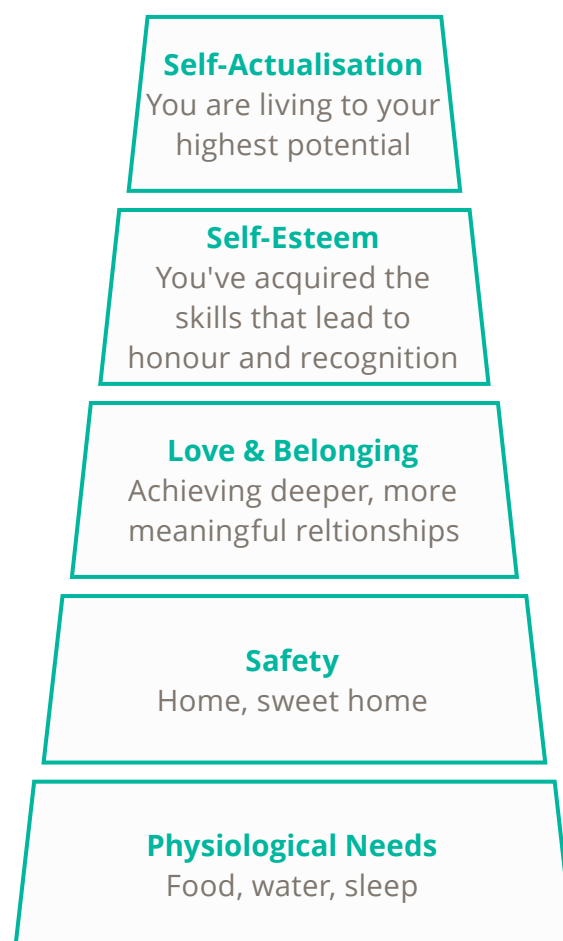
Financial health is a key component of wellbeing but unfortunately can be overlooked in the context of employee wellness. When we consider that in Australia, 1.8 million workers are suffering prolonged financial stress, costing \$31 billion annually in lost productivity⁵, and that a third of New Zealanders feel financially strained with 1 in 10 struggling to make ends meet⁶, it's clear this pillar of wellness should be on HR agendas.

To illustrate why financial wellness should serve as the basis for every wellness program, consider Maslow's hierarchy of needs (pictured at right). The hierarchy is typically represented as a pyramid with five levels of needs: physiological, safety, love/belonging, self-esteem, and self-actualisation. Maslow posits that people must fulfill their basic needs (physiological: such as food, water, sleep) before moving on to their higher, more advanced needs (self-actualisation).

Having enough money to meet basic needs of buying food and paying rent falls under the 'physiological needs' category. In other words, financial wellness must be achieved before employers can address the more 'nice-to-have' employee wellness pillars.

It can't be denied that the last few years have been financially tough for many organisations. Those that have suffered may not be in a position to offer remuneration increases, and those fortunate enough to be less affected may be hesitant to do so as economic outlooks in parts of A/NZ remain unclear.

Remember that financial wellness initiatives aren't restricted to what employees are paid. Of course, paying employees fairly and in line with market standards is a first step, but there are additional financial initiatives employers can offer when remuneration budgets are tight.



Financial wellness ideas:

- ✓ Financial education programs – delivered through formats such as webinars, emails, and fact sheets – on topics such as saving strategies and developing healthy financial habits
- ✓ Encouragement of extra superannuation or KiwiSaver contributions to help prepare employees for a secure future
- ✓ Providing financial planning services and tools for employees to map out their goals and plan their futures
- ✓ Helping employees to manage EOFY tax returns process (in Australia)

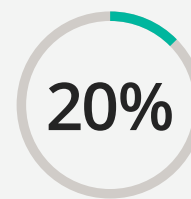
Pillar #2: Emotional wellness

\$10.9 billion

the annual cost of untreated mental health conditions specifically to Australian workplaces⁷

\$12 billion

the overall annual cost of poor mental health to the New Zealand economy



of New Zealand employees suffer poor mental health at any given time⁸

As the above statistics illustrate, untreated mental health conditions already cost Australia and New Zealand significant sums of money. The COVID-19 pandemic deepened this issue, taking an enormous toll on the global workforce's mental health. In fact, Australian research found that 38% of supervisors and 27% of workers reported feeling mentally unwell in the last 12 months and of those, 53% and 45% respectively said the negative change in their mental health was directly brought on by COVID-19.⁹

Employees struggling with poor mental health – due to COVID-19 disruption or otherwise – may face challenging issues such as feelings of isolation, trouble performing at work, and damaged personal and professional relationships. Employers looking to build thriving workplaces must therefore address this critical pillar of workplace wellness.

It's also important that workplace mental health initiatives complement an emotionally healthy workplace. As HR critic, Josh Bersin, put it, "if you want to make your employees 'well' and 'happy', you have to make it easy for them to do quality work". In other words, a psychologically safe environment is necessary for your employees to thrive. This eBook explores 'thrive cultures versus burnout cultures' in more detail on page 15-18, but below are some simple tools and resources employers can provide to enable employees to not only manage their existing mental health, but also proactively address any problems before they become more serious. Here are some emotional wellness benefits to consider offering to employees:

- ✓ **Counselling or coaching services (virtual and in-person)**
Many employers offer Employee Assistance Programs (EAPs) to help relieve workers' stress. In addition to providing such services, employers should aim to promote their use and provide easily accessible and confidential channels through which to access them.
- ✓ **Mental health resources on how to build resilience, unplug from work, and manage stress** – By offering training sessions and resources on topics such as how to build

resilience, unplug from work and build habits to promote healthy sleep and interpersonal relationships, employers can help set their employees up for success.

- ✓ **Meditation or mindfulness apps**
Meditation is a scientifically proven way of enabling us to better manage stress, gain a new perspective on stressful situations and manage negative emotions. Many employers offer this practice via guided sessions in their workplace or through subscriptions to paid meditation apps such as Headspace or Calm.

Continued over page

7. State of Workplace Mental Health in Australia, Heads Up, 2020 8. "The economic cost of serious mental illness and comorbidities in Australia and New Zealand", Royal Australian & New Zealand College of Psychiatrists, 2016 9. SafeWork NSW, 2021

✓ **A flexible leave policy that allows for mental health days**

Given the link between poor workplace mental health and absenteeism, offering a number of mental health days as part of a leave package can be a supportive acknowledgement that sometimes, employees simply have a lot on their plate. This also helps to mitigate the impact of mental health-related absenteeism.

- ✓ **Training managers to detect the warning signs of mental distress in employees**
Upskilling managers in how to spot warning signs of mental distress can help employees' mental health issues to be addressed before they turn into significant problems.
- ✓ **Actively promote awareness initiatives such as RUOK day.**

Pillar #3: Physical wellness

In a world where many employees work in sedentary jobs, the importance of movement and general physical wellness is not to be underestimated. Physically well employees are happier, better placed to manage stress and less likely to take sick leave.

Below are a few physical wellness initiatives employers can consider offering to employees:

✓ **Subsidised gym memberships or fitness classes**

Remember that fitness needn't be expensive. If budgets are tight, a physical wellness initiative could be as simple as starting a lunchtime running club.

✓ **A flexible wellness budget**

By offering employees a personal wellness budget of their own, employers avoid creating a wellness program that appeals to some but alienates others. One employee might want to buy classes in the latest fitness trend, while another might want some new bike tyres. Giving staff a budget and letting them choose their own wellness initiative helps cater for everyone's needs.

✓ **Preventive health offerings**

These include health screenings and vaccinations – a simple step employers can take in building a healthy workforce. [ELMO COVIDsecure](#) can help employers keep

track of COVID-19 testing and the vaccination status of their workforce in a single, secure platform with strict access control measures. It provides HR and leadership with a powerful dashboard to provide a real-time view of critical information to assist with COVID-19 risk management.

✓ **Resources on nutrition and sleep**

Providing tips on important areas like nutrition and sleep is a thoughtful way of helping your employees to optimise their wellbeing. This advice can be delivered through emails or webinars, for example.

✓ **Onsite activities and programs that get employees moving**

Offering gym classes such as High Intensity Interval Training (HIIT) is a relatively inexpensive way of getting your employees moving and the endorphins flowing. Access to stand-up desks also means staff aren't sitting for long periods of time.

Pillar #4: Social wellness

Social wellness at work has been bumped up the HR agenda as workplaces across the world become increasingly distributed. Workplace social initiatives help to build strong teams, enable networking and enhance feelings of belonging. After all, Maslow's hierarchy of needs includes a sense of belonging as a major need that motivates human behaviour – just like food, shelter, and safety.

With fully remote or hybrid workplaces looking likely to continue for some time and the gig economy reigniting in A/NZ, employers face challenges when it comes to creating inclusive social wellness initiatives that cater to all employees, regardless of their working location or how they are engaged by their employer.

The explosion of communication tools like Zoom and Slack have made social wellness in a distributed workplace a less elusive feat than before. To maintain social cohesion in a distributed workforce, employers should aim to take an inclusive approach to social workplace initiatives and reimagine workplace communication.

But when discussing social wellness in the context of holistic wellness plans, leaders would do well to recognise that their employees have a life outside the office. Humans need to connect with their loved ones and engage in non-work-related hobbies to feel content and fulfilled. But employees may not feel like they have the time or space to do so, which is why employers need to carve out these opportunities for them. Not only does this lead to happier, more balanced individuals, but it also allows employees to be more present and engaged when they're at work.

To provide employees with the time and space to cultivate lives outside of the office, employers can introduce:

- ✓ Remote work or flexible schedules to enable better work/life balance.
- ✓ Subsidised childcare or pet care services that free up employees' time to engage in hobbies.
- ✓ Experiential rewards that allow employees to participate in an activity of their choice.
- ✓ Guidelines for best practice use of communication and collaboration tools, to ensure employees are using tools within acceptable boundaries.
- ✓ New guidelines to ensure that collaboration tools are being utilised in an inclusive way by remote and in-person workers.
- ✓ Fun social activities for colleagues to take part in: book clubs, amateur photography clubs, cooking enthusiast groups, etc.
- ✓ 'Right to disconnect' policies. Limit the requirement for employees to respond to emails outside of standard working hours.





The importance of feedback channels

A culture of feedback-giving is an essential component of a psychologically safe workplace. Such a culture ensures employee voices are heard, and provides valuable insight into the needs and wants of employees.

Employee feedback also has a more practical purpose when it comes to assessing the effectiveness of your employee wellness initiatives. According to [ELMO's 2022 HR Industry Benchmark Report](#), only 28% of employers measure the success of their employee wellness programs.

A good rule of thumb is to never assume that you know what your people want – but instead, find ways to ask them. HR professionals must ask themselves: “are we measuring the effectiveness of our employee wellness initiatives, and are we actually listening to what matters to our employees?”

Surveys can be used not only to determine which new wellness initiatives would appeal to employees, but also to garner deeper data insights into the effectiveness of existing ones.

Taking the pulse of employees:

[ELMO Survey](#) enables organisations to conduct and manage staff surveys throughout all points of the employee lifecycle to gain actionable insights into employees' attitudes and opinions towards work. With ELMO Survey, organisations can access a range of ready-made HR survey templates built by industry professionals to help streamline the process and ensure that only the most useful data is being collected.

This in turn can help leaders to make smarter business decisions.

ELMO Survey allows users to:

- ✓ Assess how engaged and motivated your employees are and obtain actionable insight into your employees' attitudes and opinions towards their work, work environment and your wellness initiatives.
 - ✓ Easily compare results by key demographics such as age, gender, location, division, tenure, and share results with key stakeholders.
 - ✓ Incorporate feedback points throughout
- HR processes and provide confidence and reassurance through the anonymity feature when working on sensitive HR topics such as diversity and culture.



The importance of basic environmental factors

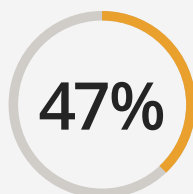
Our physical environment has a significant impact not just on productivity but also wellbeing. This chapter outlines the environmental factors that need to be considered, regardless of where people are working.

Basic environmental factors such as natural light, air and water quality and temperature play a significant role in employee wellbeing and form part of the 'physiological' needs in Maslow's hierarchy described earlier.

According to research...

78%

of employees said access to natural light and views improved their wellbeing¹⁰



of employees admit they feel tired or very tired from the absence of natural light or a window at their office¹⁰

43%

of employees report feeling gloomy due to a lack of light in their workplace¹⁰



Workers in daylight office environments reported a 51% drop in the incidence of eyestrain¹¹

63%

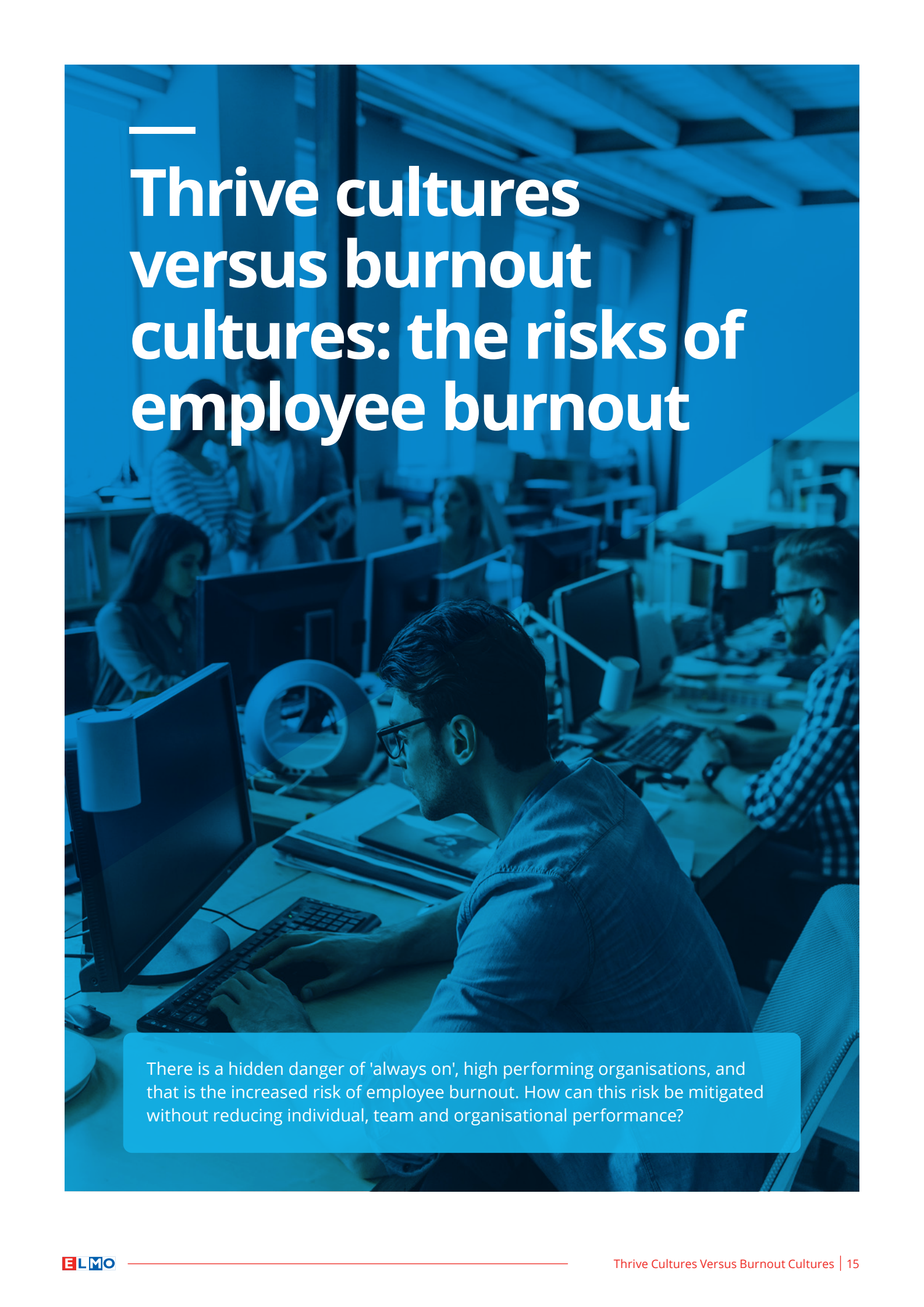
Workers in a daylight office reported a 63% drop in the incidence of headaches and a 56% reduction in drowsiness¹¹



Researchers found noise from an open-plan office caused a 25% rise in negative mood¹²

As the above statistics illustrate, it's important to get the fundamental working environment right before being able to address the more advanced needs of employee wellness.

¹⁰. "Future Workplace Employee Experience Study", cited in Harvard Business Review, 2018 ¹¹. "Worker reactions to electrochromic and low glass office windows", Ergonomics International Journal, 2018 ¹². Bond University study cited in "Feeling stressed in an open-plan office? You're not alone", HRD, July 2021



— Thrive cultures versus burnout cultures: the risks of employee burnout

There is a hidden danger of 'always on', high performing organisations, and that is the increased risk of employee burnout. How can this risk be mitigated without reducing individual, team and organisational performance?

Among other things, a strong culture will foster productivity and high performance. But there is a delicate balance to achieve when establishing a 'thrive' culture versus one of burnout.

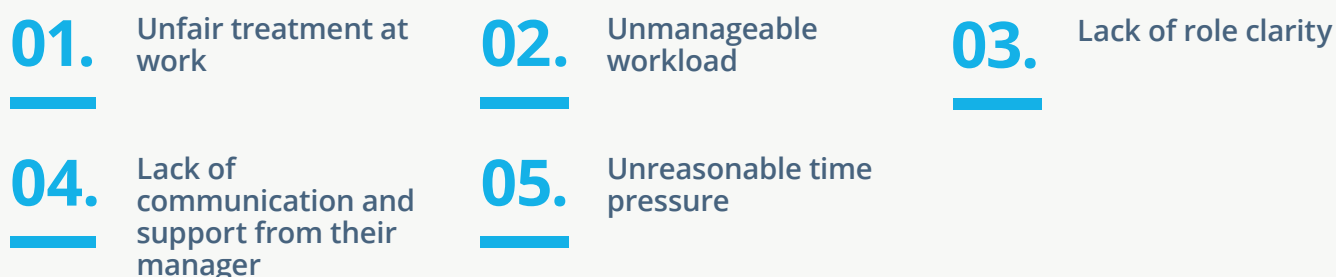
According to Gartner¹³, when people feel inspired, motivated, and supported in their work, they do more work – and that work is significantly less stressful on their overall health and wellbeing. In other words, burnout is not just the result of the number of hours worked; it's also the product of how employees are managed and how they experience work during those hours.

Employee burnout is growing increasingly common, particularly as the lines between home and work life blur in remote work set-ups. The World Health Organisation includes burnout in its most recent International Classification of Diseases, adding that sufferers can also experience "reduced professional efficacy", emotional exhaustion, a lack of emotional control, indifference to work and trouble staying focused.

According to research¹⁴, burnt-out employees are:



Gallup¹³ found the top 5 reasons for burnout were:



¹³. "Employee Burnout: The Biggest Myth", Gallup, 2020 ¹⁴. "Employee Burnout: Causes and Cures", Gallup, 2020

A photograph of a man and a woman in an office environment. The man, with a beard and wearing a dark shirt, is leaning over a computer monitor, pointing at the screen. The woman, with curly hair and wearing a light green shirt, is sitting at the desk, looking at the monitor and holding a pen. The background is softly blurred, showing office shelves and windows. The entire image has a warm, orange-toned overlay.

How to achieve a thrive culture

How can a 'thrive' culture be achieved? It's the million-dollar question. Firstly, building a 'thrive' culture cannot be achieved overnight. But there are some practical steps employers can take to build the right foundations for a thrive culture, and one that avoids burnout. We outline these steps on the following page.

Encourage embodiment of values, not just high performance.

High performance is needed to meet organisational objectives. But employee wellness and psychological safety are building blocks that create an innovative, risk-taking culture that fosters intellectual bravery. Organisations need a clear set of values that model positive behaviour types such as collaboration, integrity, accountability, and learning.

Make wellbeing part of the organisation's culture.

When an organisation makes wellbeing a priority of its culture and provides resources for employees to live healthier lives, they take better care of themselves. Employees encourage one another to live a healthy, meaningful and productive work life. They support each other in pursuing their ideal work/life balance – whether that means working reasonable hours, taking advantage of a flexible work arrangement or enjoying their annual leave – and they collectively model making healthy choices.

Help employees to understand the 'why' behind the business.

Organisational culture – the norms that define "why we exist", "what we believe in" and "how we do things" – dictates how employees treat each other and experience the workplace. Helping your employees to understand why they are there and what the organisation is trying to achieve – and the values required to get there – helps reinforce feelings of working towards a common goal and enhances feelings of belonging.

Give employees the environment they need to be productive.

A workforce can still be productive without being burned out. Give your employees the right environment, the right infrastructure and the right technology so that they can efficiently and effectively do their work. Remember that this might not be the same for each and every employee. Your extroverts might thrive in an

open plan office; while your introverts might benefit from the opportunity to occasionally work from home to avoid the over-stimulation of the physical workplace.

Build a culture of psychological safety.

Psychological safety is critical in fostering innovation. The example is set at the top of an organisation, so leaders are responsible for setting this tone. A psychologically safe organisation is – among other things – transparent, has diverse voices, is supportive and encourages regular feedback.

Practise what you preach.

Employers that do not follow through on their words with appropriate action – an issue known as word/deed misalignment – can damage employee morale and trust. When employees do not trust their leaders, the psychological bond that makes work meaningful becomes frayed.



Employee wellness: key take-aways

Keen to build a sustainable, healthy work environment? Here are five handy take-away tips from this eBook.

- ✓ Foster a strong culture of psychological safety, inclusivity, and transparency
- ✓ Survey employees on their wellness preferences
- ✓ Whatever the budget, make sure your wellbeing program addresses the four pillars of Financial, Emotional, Physical, and Social
- ✓ Don't forget about basic environmental factors (natural lighting, temperature, good air quality, etc.)
- ✓ Measure the effectiveness of your wellness initiatives regularly

How ELMO can help

ELMO Software (ASX:ELO) is a cloud-based solution that helps thousands of organisations across Australia, New Zealand and the United Kingdom to effectively manage their people, process and pay. ELMO solutions span the entire employee lifecycle from 'hire to retire'. They can be used together or stand-alone and are configurable according to an organisation's unique processes and workflows. Automate and streamline your operations to reduce costs, increase efficiency and bolster productivity.

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