

AON

People are Suffering, How to Understand the Driving Forces to Make Better Decisions in the Workplace

CUPA-HR

April 3, 2024



People are Suffering, How to Understand the Driving Forces to Make Better Decisions in Workplace

Overview >

Rising Focus on Resilience

How does Faculty and Staff Wellbeing and Sustainability Fit in?

Human Sustainability

Multigenerational Workforce

Benefits of Building and Monitoring Programs

Wrap Up and Final Questions

1

Rising focus of Wellbeing



Organizational Wellbeing

Setting the stage

Wellbeing can be defined as **feeling good, satisfied, and functioning well**. Along with experiencing the balance of happiness & contentment.

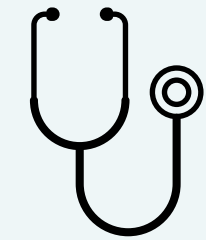
Sustainability looks at our **ability to thrive within the life we have in the long term**. Living in a way that enables us to preserve or improve the quality of our life and work, while actively avoiding life conditions that promote burnout or unsustainable outcomes.

Resilience is the **capacity to withstand and manage stress**.



Aon's Wellbeing Approach

Excellence



Healthcare

Providing support in times of need



Wellbeing

Educating people to thrive in an organizational world



Human Sustainability

Reimagining organizations with a sustainable performance lens

Data Excellence

Benchmarking and baselining through client data and predictive analytics to optimize your investment decisions and people-related risks



Reputation / brand, technology and workforce stability are central forces influencing risks like cyber attacks, increasing competition and the failure to attract and retain top talent.

Talent is a continually rising concern, as colleges and universities compete to attract — and retain — the specialized knowledge and skills they need to compete for student enrollment. The interconnectedness of these exposures increases risk complexity and presents new challenges to institutional leaders.

Navigating an evolving risk landscape demands industry-specific expertise. Understanding top-of-mind risks, anticipating the future and preparing for the unknown are essential for institutional excellence.

Aon's [Global Risk Management Survey](#) highlights these key risks for higher education for 2023 and beyond.

Cyber Attack or Data Breach

The number one current and future risk across all industries.

Failure to Attract and Retain Talent

This has increased in rank from the #5 risk to #3.

Reputation and Brand

Year-over-year, this continues to be the #1 risk factor for colleges and universities, impacting all facets of each organization.

Regulatory Changes

There is growing legislative uncertainty at the federal and state level for both public and private institutions.

Higher Education Industry Highlights

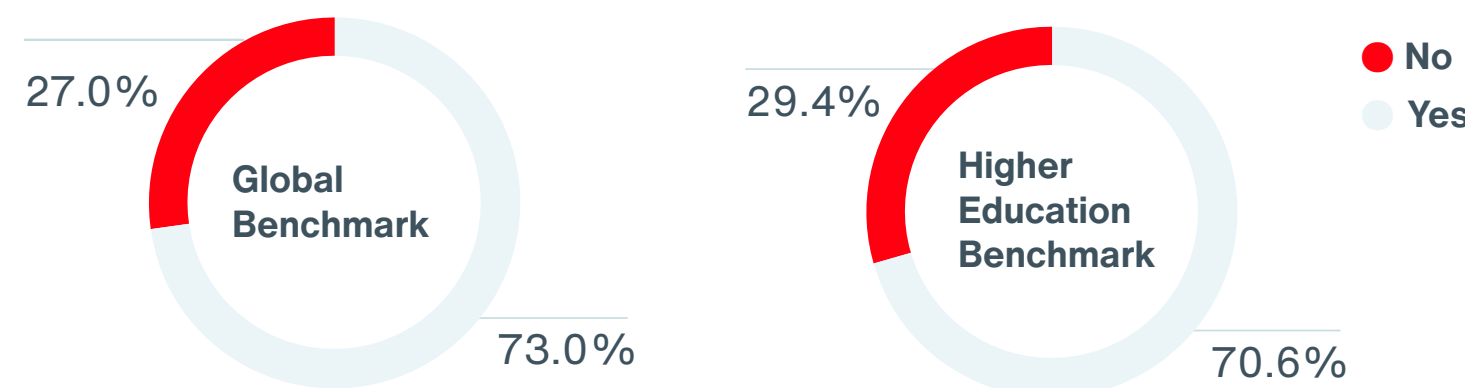
Aon's 2023 Global Risk Management Survey

Top 10 Risks for the Industry



Formal Risk Management

Organizations with a Formal Risk Management and Insurance Department



Loss of Income

Average Loss of Income from Top 10 Risks



©2023 Aon plc. All rights reserved. The information contained herein, and the statements expressed are of a general nature and are not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information and use sources we consider reliable, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

How Organizations Evaluated Their Risk Posture against the Top 10 Risks

- 36% assessed risk
- 19% quantified risk
- 17% developed risk management plan
- 7% evaluated risk finance and/or transfer
- 18% developed continuity plans
- .5% other

Top Risks in the Next 3 Years

- 1 Cyber attack or data breach
- 2 Regulatory or legislative changes
- 3 Failure to attract or retain top talent

Contact Us

Michael Rask
National Practice Leader
Higher Education
Commercial Risk and Human Capital Solutions
+1 206 920 6490
mike.rask@aon.com

The Rise of Wellbeing on the People Agenda

Only 30% of employees are resilient – *a new low*.

Organizations that invest in employee wellbeing and sustainability see stronger employee (and team) motivation, retention, productivity, and healthier business performance.

Organizations are only as resilient as their people. With employees and teams around facing persistent levels of burnout, **now is the time to consider how you can make a difference in the wellbeing and sustainability of your people.**

Top Priorities for Companies for the Next Five Years



Top for Education Globally: **Employee Wellbeing**, Diversity, Equity and inclusion, Attracting and Retaining Talent

Addressing Mental Health Is An Organizational Imperative

In 2023, **69%** of mental health-related leaves were taken by women.

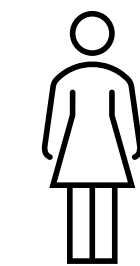
20-30% of working adults experiencing chronic musculoskeletal pain experienced increased mental health issues²

40% of women take less care of their mental health due to caregiving¹

76% of adults reported at least one symptom of a mental health condition³

21% experience a mental illness
15% have a substance use disorder
5% have seriously considered suicide

People are suffering



42% Black
47% Neurodivergent
50% Low Income

33% of the population feel down, depressed or hopeless⁷

62% of missed workdays are attributed to burnout, depression or anxiety⁴

and it's impacting your organization

Employees with unresolved depression experience a **35% reduction in productivity**⁵

Employees experiencing depression miss around **5 days** every 3 months, and **25 days more per year** than other employees⁴

Employee leaves of absence for mental health are up **300%** from 2017 to 2023.

Employees with unresolved depression cost the U.S. economy **\$210.5 billion per year** due to absenteeism, reduced productivity, and medical costs⁵

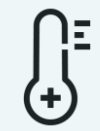
2

How does faculty and staff wellbeing and sustainability fit in?



How Does Wellbeing Fit In?

The role of sustainability & resilience



Impact of Changes

Economic headwinds and uncertainty, including the impact of mental health & stressors; burnout.



Duty of Care

Increased focus on embedding workforce wellbeing into culture; building and enabling resilience; large gap in understanding how to share that duty of care with employees



Diversity and ESG Targets

Increased focus on identifying, developing and retaining diverse talent; contrasted by absenteeism, attrition, illbeing/poor health data



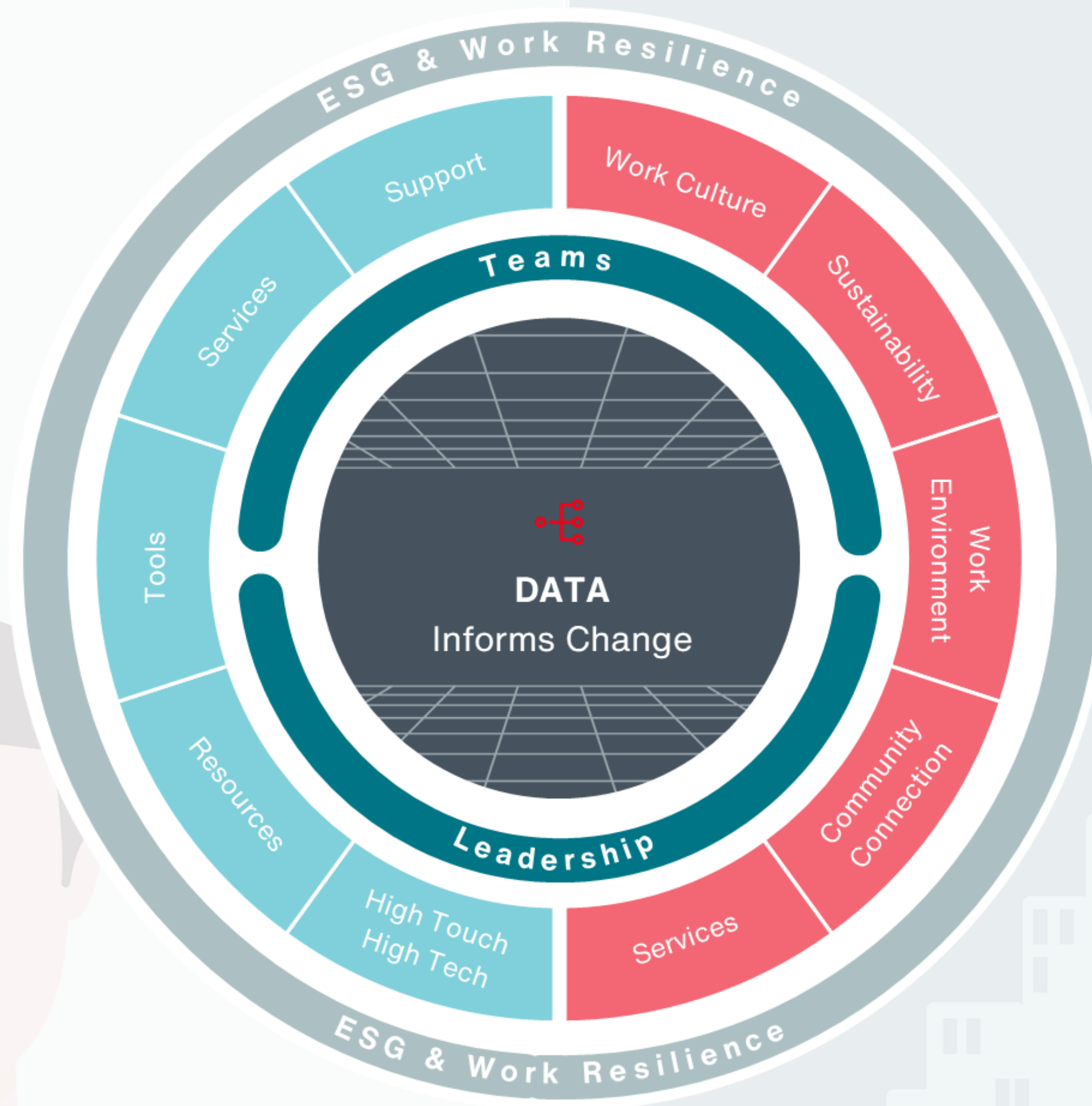
Manager Pressure

Greater need for managers to engage, develop, retain due talent leaving; challenges for organizations with increasing talent gaps

Aon's Wellbeing People and Performance Framework

Individual
 Changing Behaviors
 Think, Feel, Function

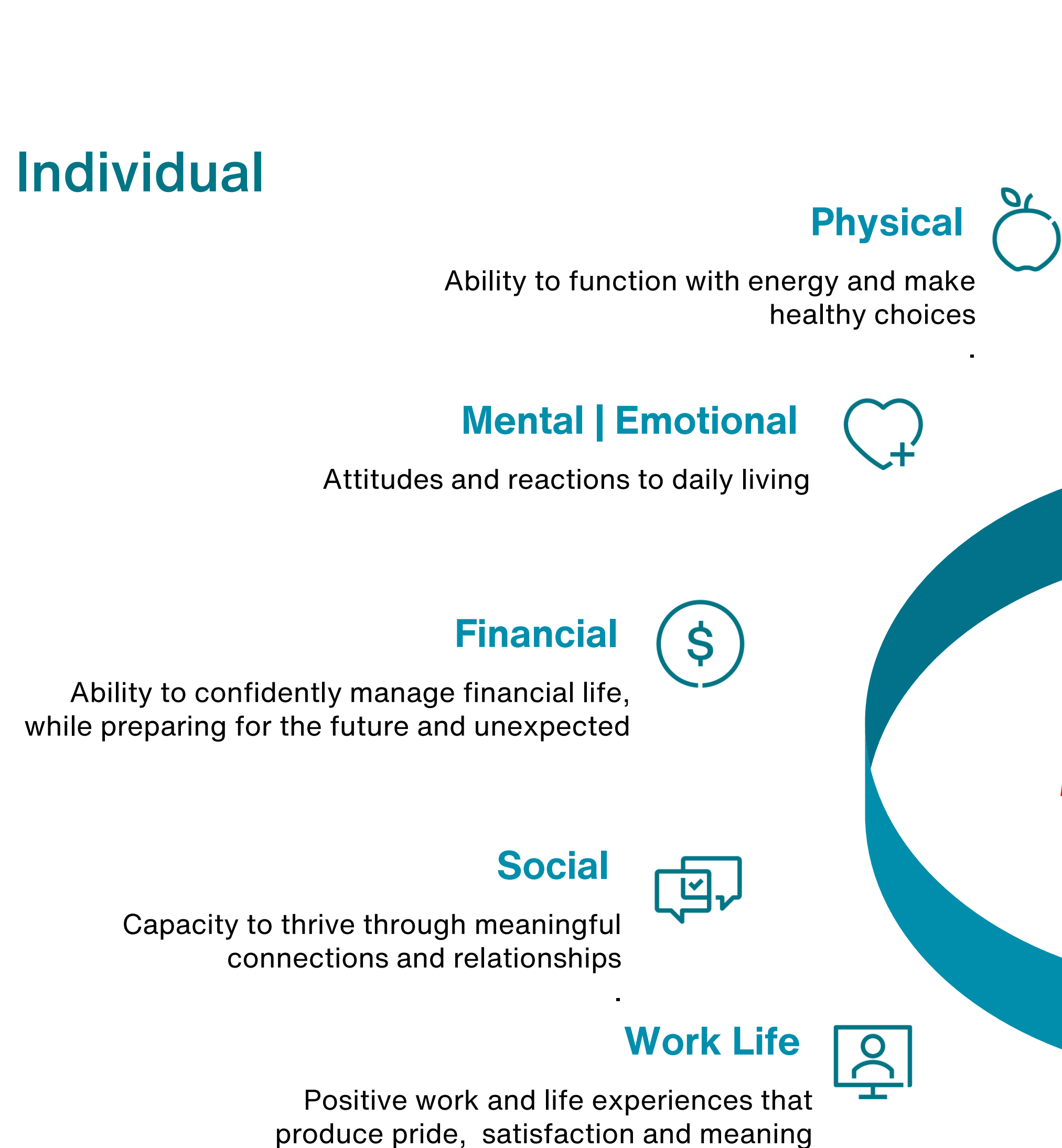
Organization
 Changing Context
 Vision, Values, Performance



Wellbeing is a **people and performance approach** that is a balance of having the appropriate resources, opportunities, and commitment needed to *achieve optimal health, resilience, performance and sustainability* for **the individual, team, leadership, organization, and community.**

Wellbeing People and Performance Dimensions

Individual



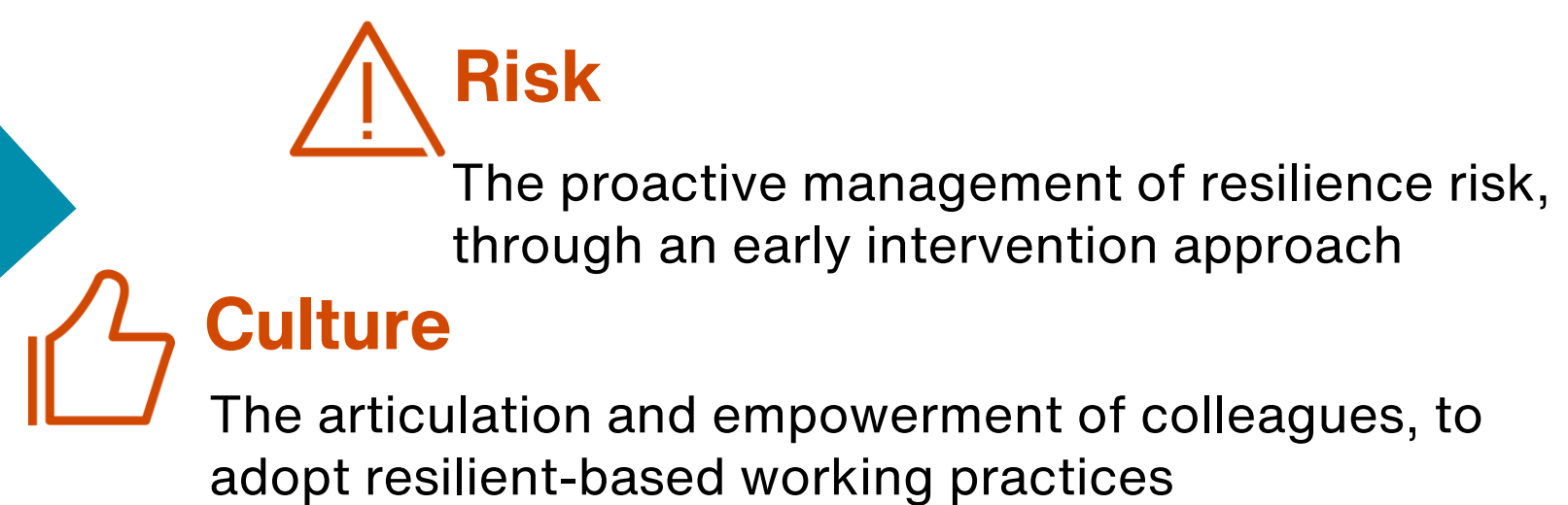
Connected Wellbeing



Teams | Leadership



Organization



Is your leadership team addressing faculty and staff resilience and sustainability?



Wellbeing Journey



It's a Journey: Wellbeing Maturity Curve

Helping you get to where you want to be



Foundational

- Early-stage development
- “Check the box” offerings
- Standard policies
- Little to no use of data
- Little or no formal budget



Reactive

- Problem or issue drives types of offerings
- Activities local but also emergence of some global
- Focus on ad-hoc initiatives
- Budgets established but small
- Manual reporting and limited data use
- Very tactical
- No dedicated wellbeing resource



Proactive

- Data used to identify opportunities and issues
- Strategic direction established with tactics supporting
- Leadership involvement and advocacy
- Moderate budget allocation with dedicated resource
- Demand for data, dashboards and reporting emerging



Advanced

- Mature and embedded wellbeing strategy with connected tactics to key business objectives
- Clear leadership involvement and accountability
- Long term budget and resource commitments
- Data and reporting linked to business outcomes
- Investment in benchmarking and best practice
- Highly tailored and targeted wellbeing employee, team and leadership experiences



Leading

- Wellbeing fully integrated in organization governance, culture and climate
- Formal studies or analytics that prove value of wellbeing on business outcomes
- Wellbeing is the DNA of leadership, teams and organization
- Wellbeing has a consistent and meaningful brand & reputation
- Ongoing investment and re-investment in wellbeing

How to get People to run Differently?



Sustainable High-Performance Model

Can we get more people to run different?

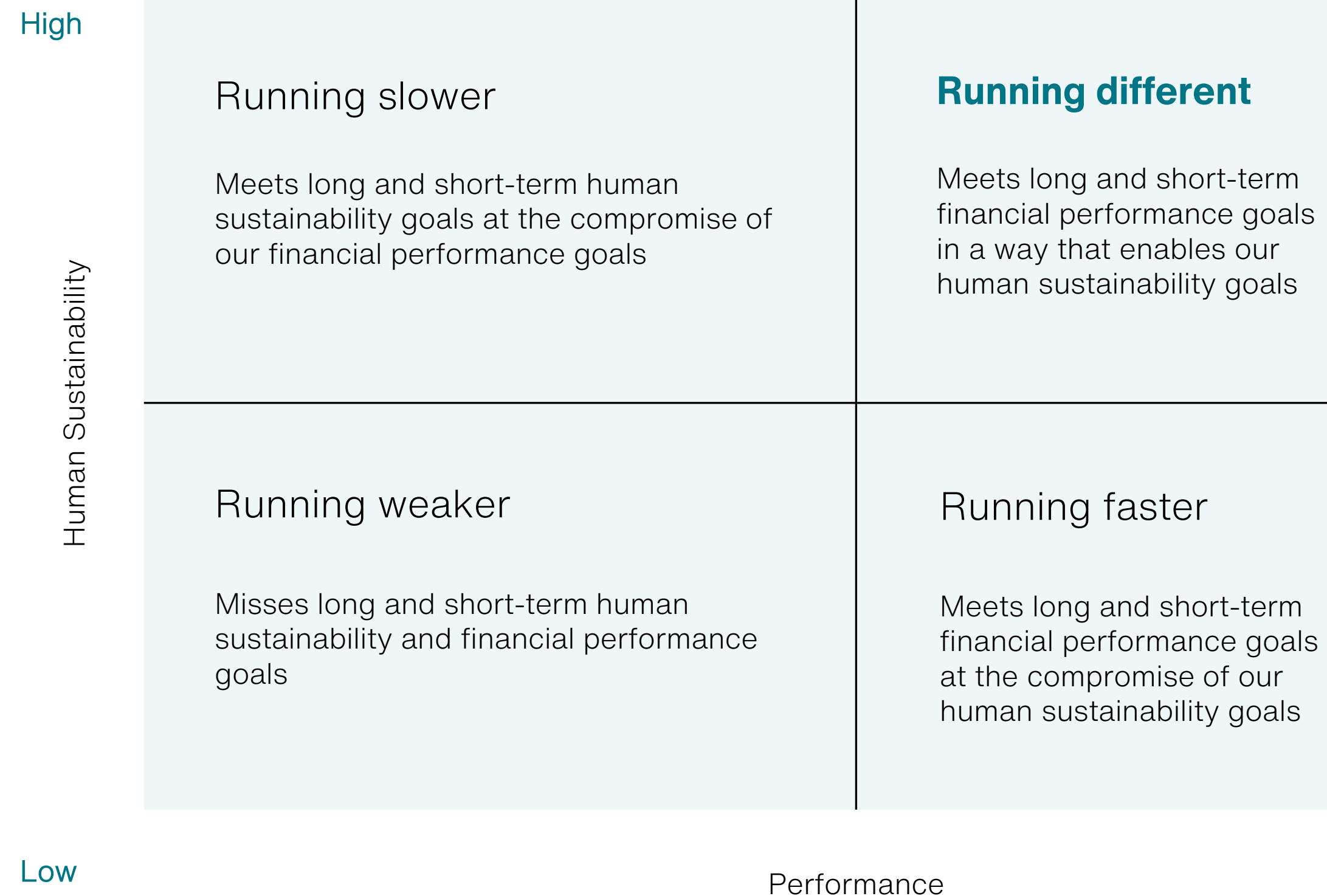
Achieving a sustainable high performing workforce

Enables companies to achieve their short-term and long-term performance goals via a human sustainability lens.

Sustainable High Performers (or people who 'run different') are those who not only achieve long and short-term financial performance goals but also do so in a manner that supports broader sustainability objectives.

'Running different' means recognizing that financial success should not come at the expense of your well-being and/or the wellbeing of team members.

Sustainable High-Performance Model



Human Sustainability Index: linking performance & sustainability

Creating a wellbeing baseline



3 distinct layers

01 Individuals

as a route to navigating the complexity of our modern-day experience

02 Teams

as a pathway to building collective capacity for change

03 Organizations

to advance their social responsibilities within their sustainability ambitions

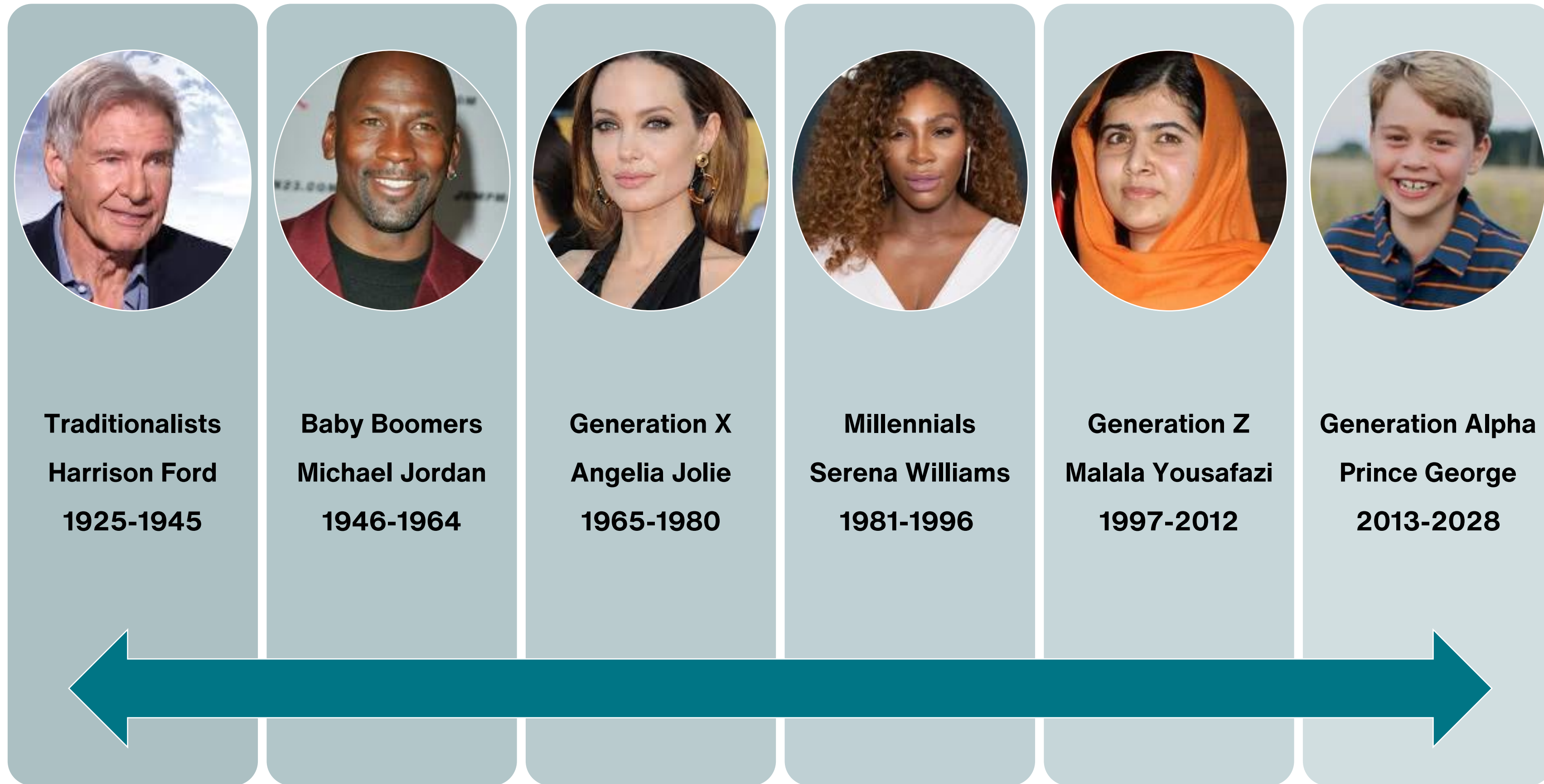
3

Multigenerational
Workforce



Let's get to know one another

What generation are you?



Why This Conversation Matters

Five Distinct Generational Groups Make Up Today's Workforce

Boomers Retiring Earlier

The number of Baby Boomers entering retirement in 2020 exceeds projections.¹ However, Boomers who aren't financially ready to retire are freelancing or consulting due to difficulty in finding traditional work (technology, age discrimination)

Turnover

A record number of people quit their jobs in the second half of 2021 and in 2022, with Gen X seeing a 35% increase in resignation from 2021 to 2022.² Although we are through The Great Resignation, there continue to be voluntary resignation trends, particularly among Gen Z, who 40% of the time, leave their job within the first two years

A New Generation is Here

Generation Z are the most diverse generation in our history, and by 2023, they will make up over 20% of the U.S. workforce and over 30% of Canadian workforce. Gen Z are swiftly creating a new reality for the workplace. To attract and retain Gen Z talent, employers must be ready and able to evolve at a rate that matches the external environment.⁸

Wellbeing is a Priority

Employee expectations have increased when it comes to their employers' supporting their wellbeing. For those that have worked from home during the COVID-19 pandemic, Millennials engagement is 75%; up from 35% in 2019. 65% of remote millennial workers and 63% of nonremote millennial workers who strongly agree that "My organization cares about my overall wellbeing" are engaged.⁴

Health and Wellbeing Concerns

Although stress is an issue shared across the generations, for Millennials and Gen X the issue of stress is more pronounced. 38% of Millennials and 46% of Gen Z report being stressed all the time. And when it comes to financial wellbeing, 50% of people surveyed in these two groups foresee their financial situations worsening or stagnating in the next year.³ 62% of Gen Z have less than \$1,000 saved for an emergency.

The Impact on Business

Meaningful generational strategies support:

Recruiting

Attract the right talent
54% of companies globally report talent shortages—the highest in over a decade.

Retention

Retain the best talent
44% of Millennials would like to leave their current employer in the next two years.⁵ Job hopping will be the strongest amongst Gen-Z and Millennials.⁶

Performance

Improve Workforce Engagement
High feeling of belonging at work is linked to a 56% increase in job performance, 50% drop in turnover risk and 75% reduction in sick days.⁷

Stereotypes: Driving Assumptions or Driving Curiosity?

[Every Generation At Work – YouTube](#)



Best Practices

To effectively address generational needs, employers should focus on similarities and employ differences when appropriate

- It is **NOT** about using the stereotypes of a generation to structure programs
- It **IS** about developing programs in a way that allows them to flex to the unique differences and needs
- It **IS** paying attention to the blended workforce and their wants and needs (*where they get their information, how they like to access care, where they spend their time and money*)



Key principles for establishing and maintaining strong generational practices:

1

Understanding your workforce specific population interests and needs

2

Ensuring generational considerations and customizations are addressed in strategy design and wellbeing approach

3

Ensuring engagement approach is supportive of various generational interest and needs

4

Ensuring the organizational culture is encompassing of various generational needs ongoing

5

Align with broader business strategy

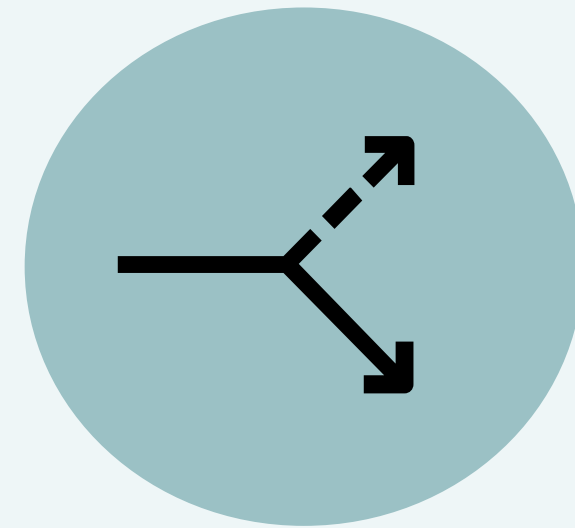
How to Thrive in a Multi-Generational Workplace

As the workforce becomes more generationally diverse, it becomes crucial to recognize each other's varying work styles and expectations in order to work harmoniously. Here are five strategies that can help you learn and grow in a multi-generational work environment:



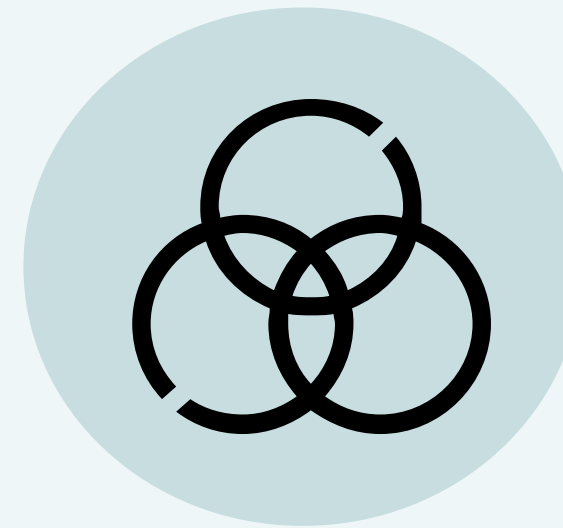
Establish Mutual Respect

- Focus on individual strengths, rather than general differences
- Be flexible and accommodating
- Communicate your preferences clearly



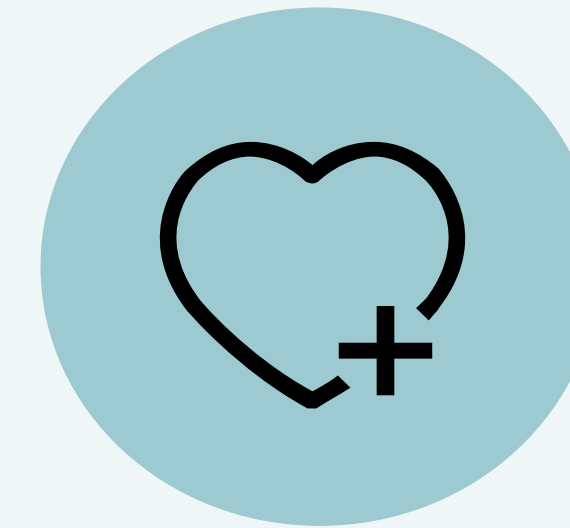
Avoid Stereotyping

- Get to know someone as an individual, not just their generation
- Try not to make assumptions
- Take time to understand nuances



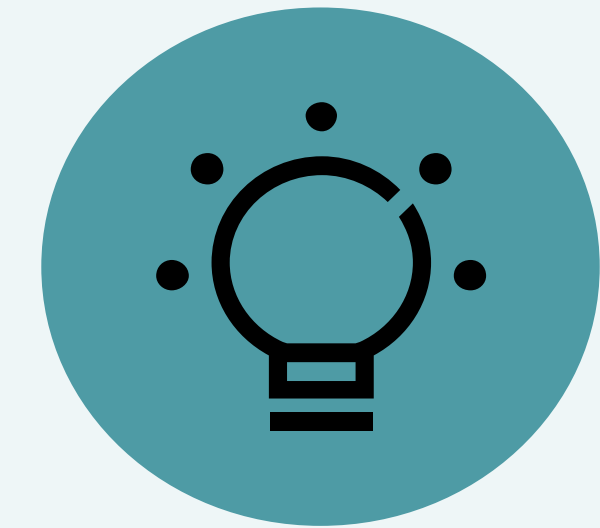
Find Common Ground

- Avoid an “us vs. them” mentality
- Get to know others as people
- Focus on similarities but celebrate differences



Be Open-Minded

- Value all viewpoints
- Understand where others are coming from
- Be empathetic
- Everyone has something to teach and something to learn



Learn from One Another

- A multigenerational workforce benefits from diverse experiences, skills, and ideas
- Foster learning opportunities through mentorship and **storytelling**

4

Benefits of building key resilience and sustainability programs



Focusing on Employee Resilience & Connecting Data

A Key Talent Differentiator

Creating an Integrated Wellbeing Strategy

- 33% of US employers indicate wellbeing is fully integrated into their company's overall business and talent strategy
- 21% comprehensively incorporate wellbeing into their DE&I strategy
- Only 10% comprehensively incorporate wellbeing into their ESG strategy
- 21% have not even thought about incorporating wellbeing into their strategies

Increasing leadership support

- 21% of US employers don't prioritize wellbeing because their leadership has other focuses
- Only 50% train managers on company wellbeing resources
- Fewer than 40% of US leaders actively support wellbeing initiatives through their words and actions
 - 29% C-Suite
 - 31% Supervisors
 - 33% Middle Managers

Providing robust data to improve wellbeing performance

- Employee wellbeing is the #2 priority for US employers
- Common wellbeing measures are:
 - Employee engagement
 - Employee satisfaction
- 54% of US employers increased their wellbeing investment since 2020
- And yet, only 23% report the performance of their wellbeing initiatives is exceptional or above average

Improving organizational outcomes

- Attracting and retaining talent is the #1 priority for US employers
- Retaining and attracting talent are the top two priorities for organizations' human capital strategies
- 56% of US employers rank employee engagement/satisfaction in the top three business issues employee wellbeing initiatives would impact

Questions? We want to hear from you!



Michael Rask
Higher Education Practice Leader
Aon
mike.rask@aon.com



Elisha A. Engelen, MA, LMFT
VP, Health Transformation
Aon
elisha.engelen@aon.com

Scan to connect on LinkedIn:



Paul Fruhwirth
SVP, Health Solutions
Aon
Paul.Fruhwirth@aon.com

Scan to connect on LinkedIn:



Thank You

Elisha Engelen

Vice President, Health Transformation Team

Elisha.engelen@aon.com