



Emerging Trends for Worksite Holistic Wellness

Explore exclusive insights from Prudential's workplace study





Executive Summary

Transforming the employee wellness landscape

The employee wellness landscape is constantly evolving and there's a growing realization that wellness needs and concerns must be addressed holistically instead of in isolation.

Each company's holistic wellness journey may be slightly different and unique, but it is important to define the key themes and attributes that make a Holistic Wellness program work. Prudential's definition of Holistic Wellness is composed of four distinct yet tightly interconnected themes: physical, mental, financial, and social. We believe that the objective of wellness offerings should be to meet individuals where they are and help them implement plans for making progress, therefore the focus should be on the users' journey, not a pre-defined state.

Additionally, these programs are more likely to be successful if they are designed with occupational safety, health, and social connectivity in mind. Because a significant amount of time is spent in the workplace, it becomes a de facto first line of defense against injuries, illnesses, and mental and financial challenges.

To better understand employers' and employees' perspective on holistic wellness and the importance of the workplace in driving wellness, we conducted two research studies in 2022. For this research, we focused on the three most common workplace wellness areas—mental, physical, and financial.

Wellness components are interconnected

Mental, physical, and financial wellness are interconnected—an illness can spiral into a mental and financial wellness crisis. Similarly, sustained financial stress can lead to mental and physical health conditions.

Objective for each individual holistic wellness component



Physical wellness



Mental wellness



Financial wellness



Social health

Social wellness, though less intuitive, also plays a vital role in overall well-being. Resources on the Social Wellness Toolkit page of the National Institute of Health website² highlight the impact of relationship quality on mental and health outcomes, including one study where researchers were able to show higher viral immunity among the population that was socially well.

According to the Center for Disease Control and Prevention,¹ lack of mental wellness increases the risk of many types of physical health issues like diabetes and heart disease, and a chronic illness or economic hardship can increase the risk of mental health issues.

1 Center for Disease Control and Prevention <https://www.cdc.gov/mentalhealth/learn/index.htm>, accessed March 2023.

2 National Institutes of Health <https://www.nih.gov/health-information/social-wellness-toolkit> accessed March 2023.

Key findings for employees:

90%

of employees agree that physical and mental wellness impacts their financial well-being and expects their employers to play a role in their mental, physical, and financial wellness.

70%

of employees would stay with an employer that provides financial and mental health resources.

Key findings for employers:

90%

of employers agree they should help employees address physical, mental, and financial wellness and think that a holistically healthier employee base boosts bottom line and productivity.

98%

prefer an integrated wellness solution provided by one company.

80%

like a strategy integrated with group benefits.



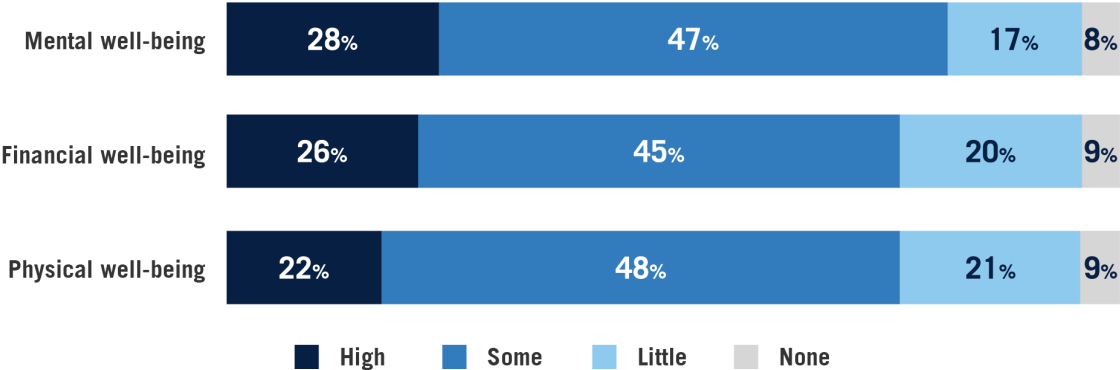
Employees need help, and they want employers to play an important role

Despite broad efforts in the financial wellness landscape, only 20% of the survey respondents were financially confident. This number trends significantly lower for lower-income employees—just 9% for employees with a household income of less than \$50k.

9 in 10 respondents

expect their employer to play a role in their financial, mental, or physical well-being.

How much of a role do you expect your employer should play in helping you address:



The survey also highlighted employees’ awareness of connections between wellness areas, and 91% agreed that financial wellness is important for their mental health. Lack of physical, mental, and emotional wellness impacts an individual’s ability to address their financial wellness challenges. 80% find the impact on their ability to address financial stressors like debt, and 70% on managing day-to-day financials and long-term planning like retirement.

Employers recognize the importance of wellness programs and are stepping up

For most employers, overall employee wellness is an organizational priority. Between 80% to 90% say wellness offerings help with productivity improvement, employee retention, burnout avoidance, and stress reduction.

Specifically, for financial wellness, the top benefits were lower 401(k) loans/withdrawals and better benefit utilization. Physical wellness’ top benefits were increased productivity and lower claim incidence. Mental wellness, specifically, also helped with reduced distraction at work.

92%

of employers agreed a healthier employee base benefits the company’s bottom line.

91%

agreed companies need to approach wellness from a more holistic view, focusing on all aspects of wellness.

70%

of the respondents mentioned that they would stay with an employer that provides financial and mental wellness resources as a benefit.

When asked to rate different wellness areas’ organizational priority between critical and unimportant, close to 90% of employers chose the top two boxes for physical and mental wellness, compared to 70% for financial wellness.

Organizational prioritization of employee wellness moving forward

88%

Mental

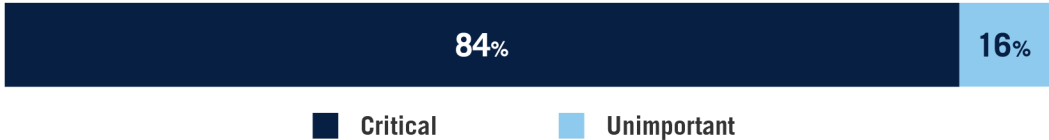
86%

Physical

68%

Financial

Organizational priority of overall employee wellness moving forward



This priority is also reflected in the programs offered by employers. While 94% and 93% of employers currently offer health and mental wellness programs, respectively, only 63% of them offer financial wellness programs. This might be due to the more recent introduction of financial wellness offerings, as employers are playing catch-up. Close to 50% of the employers who currently don’t offer financial wellness programs plan to provide them in the next few years.

Examples of workplace wellness offerings



Physical

- Incentives and gamification for motivating physical activities
- Discounts like gym memberships
- Solutions that help with weight management or chronic conditions
- Programs to help employees implement accommodations and make their home safe for their conditions



Mental

- Incentives and gamification for motivating habits/activities
- Mindfulness apps
- Counseling access
- EAP services
- Services to help improve mental agility



Financial

- Financial counseling
- Digital tools and solutions for education and planning
- Point solutions for specific needs like student loan assistance
- Advice and retail product access



Social

- Business resource groups
- Networking events
- Digital tools and portal for employee engagement
- Holiday celebrations



Here's more of what we heard

What worked well with your wellness program?



I'm more productive.

"With wellness programs employees can [sic] improve their health and they are more likely to stay off of FMLA/leave."



I'm happier.

"I believe it helps employee engagement, retainment & the company's productivity."



I'm less stressed.

"I think it works well because it helps our employees get to a good place and therefore not be so stressed out at work."

What are some top challenges employers and employees are facing?



It's too expensive.

"The biggest challenge is that our financial situation and budget do not support us to provide more."



Low participation.

"Increasing visibility—employees learn about these programs when they are first hired (during orientation), but visibility declines after that. We don't have as high engagement rates as we could because employees are not aware of the offerings."



There's too much to do.

"Both employees and employers not taking it seriously enough and not fulfilling company requirements in a timely manner."

To address low participation, 72% of employers currently offer incentives to drive engagement, and 92% will be interested in funding these incentives in the future.

A single provider increases effectiveness

Although 64% of the employers agree that managing multiple vendors is one of the challenges of offering a wellness program, only 34% currently use a single provider for all their wellness solutions. However, those who do use single providers rate their programs to be more effective.

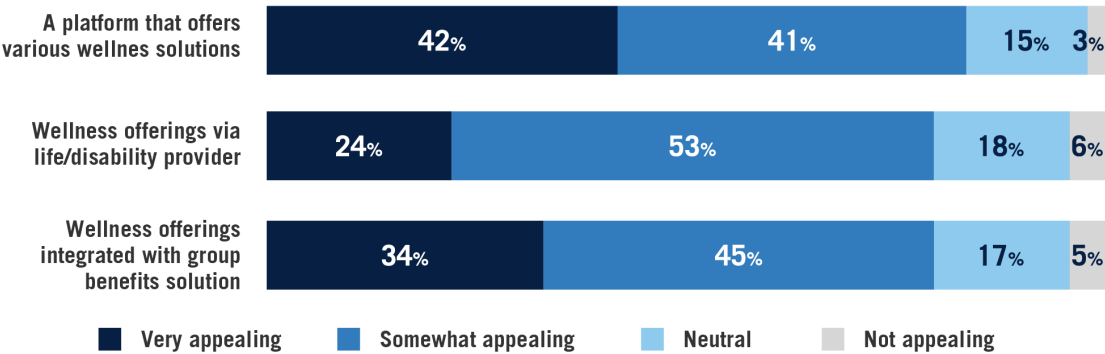
Effectiveness of Wellness Programs Currently Offered

	Overall	Single Provider	Multiple Providers
Physical	65%	77%	64%
Financial	63%	78%	55%
Mental	59%	68%	54%

Subgroup differences: Employers that prefer a retirement provider for their wellness solutions are more likely than those that prefer a non-medical provider to believe their physical, financial, and mental health solutions are effective.

98% of the employers found an integrated wellness solution offered by one provider appealing. 79% of the employees liked the idea of integrating wellness solutions with group benefits. 77% stated that they would also be interested in contracting with a life/disability carrier for their holistic wellness offering.

Appeal of wellness solution construction



Key takeaways

Based on the survey findings, the following are the key recommendations for employers and benefit consultants seeking to implement an effective holistic wellness strategy:

- **Evaluate your organization's needs:** Designing and implementing a holistic wellness strategy requires focusing on solutions that have the most impact. Surveys and benefit plan trends can highlight key wellness challenges. A sharp increase in hardship withdrawals from 401(k) plans may indicate that employees need help with budgeting and debt management. Benefits providers may also offer diagnostic tools to pinpoint wellness gaps through analysis of claims data, understanding of employer's unique workflow and structure, and potential prevalence of specific health conditions.
- **Blend education with action:** Many wellness programs focus on engaging employees with educational content about best practices to achieve physical, mental, and/or financial wellness. However, it's important to provide employees with access to solutions and services with concrete steps for improving their wellness. For example, caregiving services can relieve the burden on caregivers to manage care for a loved one, alleviating mental stress.
- **Design wellness programs for engagement:** Driving employee engagement is critical for effective holistic wellness programs. Several best practices can maximize engagement:
 - Apply wellness incentives to a range of wellness activities and accomplishments.
 - Leverage a multi-channel approach, including email, on-site seminars, and virtual programming.
 - Offer relevant wellness services to employees during key life events such as starting a job, having a child, or needing to go on disability for health reasons.
- **Offer 1:1 support:** It's easy to offer virtual support to employees for financial counseling, caregiving, debt management, and mental health. During the pandemic, Prudential's 1:1 financial wellness usage more than doubled, reflecting the strong interest employees have to engage on wellness topics.
- **Connect the dots across wellness services:** Employees often struggle to make the most of wellness services their employer offers. Leveraging a common employee platform across all available solutions can help address this challenge. It can also create opportunities to connect wellness services that may be relevant to an individual.
- **Provide holistic programs for mental health:** Show commitment to establishing a mentally healthy workplace through normalizing mental health by raising awareness, reducing stigma, and improving access to care. Create a program that provides general education, manager training, employee awareness training and, includes events in which individuals can share their mental health experiences. Create mental health parity; if you recognize heart health month, equally recognize mental health awareness month. Provide improved access to care using digital, telehealth, and in-person treatment solutions. Increase the volume of EAP sessions to 8-10 and coordinate with ongoing care covered by the health plan.
- **Integration of wellness solutions with core benefits:** It's important to introduce wellness solutions to employees in moments that matter, such as integrating wellness offerings with core benefits such as Life or Disability. Providing mental health resources to disability claimants can be critical to improving employee health, and reducing absenteeism and turnover. Similarly, providing financial counseling to employees on maternity leave can lead to sound financial decision making early on in their family journey.
- **Create opportunities for social connections:** Develop platforms and programs for employees to connect outside their professional environment. Social gatherings to celebrate successes and milestones, or technology platforms, lets team members create communities for interaction. With a more diverse workplace, it's essential to develop affinity groups centered around cultural, racial, gender, and social themes. This creates avenues for employees with shared interests to mingle, celebrate their common heritage, and showcase their unique perspectives, which helps drive workplace inclusion.

Research Methodology

The two underlying research studies were conducted by Prudential this year: one focused on the employers and the other on employees.

Employer research was conducted using a 15-minute survey with benefits administrators and HR decision-makers who have been in their roles for 2+ years. We surveyed 200 individuals, equally split between employers with 500-4,999 and with 5,000+ employees. The survey was conducted in July-August 2022.

Employee research was conducted in June 2022 as a survey among a national sample of 5,000 U.S. adults, who are employed by organizations with 500+ employees, receive benefits through their employers, have health insurance, and are involved in household financial decisions.

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