THE ROLE OF HEALTH & HAPPINESS ON EMPLOYEE ENGAGEMENT
SHAPING THE EMPLOYEE EXPERIENCE TO BOOST PRODUCTIVITY

Much like the chicken or the egg, it’s impossible to know which comes first: employee well-being, happiness, or engagement. What is clear is that they go hand-in-hand. You can’t be happy if you don’t feel well and you can’t be engaged if you’re too stressed out. The good news is that employers have just as much to gain from a productivity and innovation standpoint by positively addressing these factors with their employees. By fostering a work culture and designing an office environment that values the whole person, organizations can reap the numerous benefits of having healthy and happy employees who are engaged in their work.

Contents

TOP 4 WAYS to Increase Employee Engagement 4
CULTIVATING HAPPINESS in the Workplace 6
IMPROVING Well-being at Work 8
DESIGNING WORKPLACES to Support Employee Well-being and Engagement 10
Engaged employees make things happen. They’re committed to the organization and invested in their work. Often, they go above and beyond. But, here comes the bad news. According to Gallup’s 2017 State of the American Workplace report, 67% of the U.S. workforce is either not engaged or are actively disengaged. In fact, more than half (51%) reported that they are actively looking for other employment opportunities.

Why should this matter to you? Not only do disengaged employees run the risk of poisoning the well by spreading negativity and serving as a buzzkill for office morale, but they also cost their organizations $3,400 for every $10,000 of salary according to Gallup. On the flip side, companies that are the best in engaging their employees achieve earnings-per-share growth that is more than four times that of their competitors. These organizations realize substantially better customer engagement, higher productivity, better retention, and 21% higher profitability. Engaged workers also report better health outcomes which can impact an organization’s healthcare costs.

Now on to the good news. Companies can improve engagement by implementing practices that help employees feel valued and more emotionally connected to their work. Here are 4 ways to increase engagement that also won’t break the bank:

---

**Top 4 Ways to increase Employee Engagement**

33% of US Employees are Engaged in their Job

51% of US Employees are Actively Looking for Other Employment Opportunities

Gallup, State of the American Workplace Report, 2017
1. Tools of the Trade
Make sure employees have all the tools they need to succeed in their roles. This may seem like a no-brainer, but studies have shown that this is often overlooked. The world of work has become increasingly more complex, and efficiency is driven by having the necessary resources—whether that’s the right equipment, the latest software upgrade or simple access to information.

2. Paying Attention
Encourage management to acknowledge and give recognition for a job well done. Who doesn’t appreciate receiving credit and praise for their hard work or for successful project outcomes? In fact, studies have shown that workers believe honest feedback and acknowledgment contribute more to long-term engagement than just high pay and good benefits. And recognition doesn’t need to involve a public forum or a big bonus check—something as simple as a personal, hand-written note can go a long way in building trust and loyalty in the workplace.

3. Crowd Sourcing
Encourage collaboration and foster closer connections to colleagues through organized activities. It’s been well documented that collaboration drives innovation and can improve efficiencies. A 2017 study examining over 1,100 companies, conducted by the Institute for Corporate Productivity in conjunction with Rob Cross—the Edward A. Madden Professor of Global Business at Babson College, revealed that companies that promoted collaboration were 5 times more likely to be high performing. And, according to Gallup, highly engaged employees value working together as part of a team. But effective collaboration doesn’t just happen—especially when co-workers who don’t know each other suddenly are thrown together. Create opportunities for team members to interact in fun ways so that they can better understand each other’s strengths, weaknesses, and interests. Getting a chance to play together not only fosters creativity and collaboration, but it also helps build stronger work relationships which are essential to engagement.

4. Cause and Effect
Support philanthropic causes by involving employees and management in volunteer projects. According to Deloitte’s Global Human Capital Trends 2016, finding purpose and meaning through work is a primary driver of employee engagement. Organizations that support philanthropy give employees opportunities to help others, a key driver in finding happiness. And, with collaboration now at the forefront of how work gets done, involvement in company-sponsored service projects is a fantastic way to foster team building while doing something good.

When compared with business units in the bottom quartile of Engagement, those in the top quartile realize improvements in the following areas:

- Lower Absenteeism: 41%
- Higher Productivity: 17%
- Higher Profitability: 21%

Gallup, State of the American Workplace Report, 2017
Cultivating Happiness in the Workplace

When we think of happiness, we often think it means the positive feelings you get by having everything you want. But research has shown that it isn’t about feeling good every minute of every day. Nor is it a final “destination” you eventually get to. Instead, it exists as an on-going journey that needs to be continually nurtured. Happiness, at least according to science, is a combination of how satisfied you are with your life overall and how content, positive, and well you feel on a daily basis. And, surprisingly, it’s rarely dictated by circumstances.

Organizations can help cultivate happiness with their employees by helping their employees feel their best (both mentally and physically), experience social connections with others, and find meaning in their work. By taking an active role in fostering employee happiness, businesses can start to see productivity results that positively impact their bottom line.

Help your employees find happiness at work through a combination of management practices and facility design decisions aimed at addressing connection, empowerment, and fulfillment:

Fostering Connection
• Make employees feel like they’re part of a team/family and connected to the organization’s purpose

People crave connection. They want to feel like they’re a part of something bigger than themselves. When it comes to work, they want to find meaning in what they do and to understand how they are contributing to the bigger picture. Make sure that your organization’s mission, purpose and strategic objectives are clearly communicated to your employees and that it is evidently clear how their work can make a difference.
• Provide spaces, amenities, and events designed to encourage team building and random moments of fun

Employees also need to feel connected to their co-workers. With collaboration becoming increasingly important in the way work gets done today, it’s vital for employees to develop quality relationships with each other. Encourage positive social interaction, especially among teams, through sponsored events that allow colleagues to get to know each other on a personal level. Design workspaces and strategically locate shared amenities in ways that bring groups of people together to interact. Intentionally building camaraderie among co-workers will improve teamwork, morale, and productivity.

Encouraging Empowerment

• Promote employee autonomy through less micro-managing, by allowing personalized workspaces, and offering a choice of workspace settings

Offering choice in where to work and involvement in project decision-making are ways to help employees feel more empowered and valued. Establish a work culture where management is transparent with information, and employees get to provide input on projects and strategy so that they feel heard. Thoughtful facility design that allows for a wide variety of settings—ones that support connection as well as opportunities for focus—and providing furniture conducive to lounging or co-creating will give workers the freedom to choose where to get their work done.

• Support flexible working arrangements that allow employees to achieve work/life balance

Life happens, and happiness revolves around getting to experience it. Offering flexible work arrangements that allow employees to occasionally work from home or leave early to see their kid’s soccer games are essential to employee well-being and happiness. According to Gallup’s State of the American Workplace 2017, 53% of employees say a role with greater work-life balance is “very important” to them. How can this benefit the organization? Research conducted by Stanford University has shown that providing employees with a mental and emotional break from a long commute and the distractions of the office can lead to a significant boost in productivity for the organization. Cha-ching.

Fulfillment

• Offer more frequent feedback in the form of coaching sessions

People like knowing where they stand. And, let’s face it, job performance ambiguity can lead to stress, insecurity, and poor decision making. Organizations that only encourage feedback to be given during an annual review are missing the big picture—this strategy doesn’t allow for any course correction when it’s needed the most. Today’s workers today regular feedback to help them better understand what is expected of them and how to improve the quality of their work. By offering frequent formal and informal check-ins, you not only help motivate your employees to perform better but also establish more open communication.

• Allow time for personal development and encourage breaks

While letting employees work on things other than...well...work can seem counterproductive, allowing people to cultivate personal interests and develop skills demonstrates a work culture that values life-long learning. The vast majority of respondents (87%) in a 2016 Pew Research Center Survey considered it crucial to have development opportunities throughout their working life. Letting your employees learn and explore any possible hidden talents not only contributes to their happiness but also serves to uncover additional skills that might benefit your company. Studies also have shown that employees who take lunch breaks and intentional micro-breaks achieve higher levels of focus, experience greater capacity to think creatively, and attain higher levels of health and well-being. So, make a point to encourage employees to take regular breaks throughout the day so that they can re-energize and regain focus.
Improving Well-being at Work

Encouraging employees to be more physically active and eat right is nothing new. Companies have been addressing wellness through various corporate initiatives for over a decade in an effort to combat rising healthcare costs. But now, forward-thinking companies are expanding those initiatives by adopting more holistic approaches to employee well-being. These programs not only help with their workers’ physical health, but also their emotional and mental health, financial literacy, and much more. Why? Because employees that are both happy and healthy—a.k.a. “well”—employees are much more likely to be engaged in their work, and physical health is only one dimension of well-being.

Addressing the “whole” person at work seems like a smart thing to do when you’re trying to show employees that you value them, but does it really make financial sense? According to a Towers Watson report published in 2015, a healthy and happy workforce can reduce costs by more than $1,600 per employee, with fewer leave days taken because of disability or unplanned sickness. And, according to the Harvard Business Review, the average ROI of successful mental health initiatives is $2.30 for every $1 invested. So, the answer is a resounding “Yes.”

Holistic wellness programs incorporate a 360-degree view of employee health. As such, a successful workplace well-being program needs to be multi-faceted. Supporting physical, emotional, and social well-being requires a thoughtful approach that incorporates educational opportunities, company-sponsored programs, and strategic facility design. Here are some tried and true initiatives that leading organizations around the globe have implemented to help with employee well-being:

61% of respondents believe their well-being program improves employee productivity and bottom-line business results

Deloitte Global Human Capital Trends survey, 2018
Let’s Get Physical

Encouraging employee fitness doesn’t necessarily mean building an on-site workout facility, although that’s certainly an appreciated amenity for many employees. Some companies sponsor wearable device programs that provide employees with fitness trackers such as a Fitbit or Apple Smart Watch, along with offering rewards for reaching fitness goals and encouraging fun competition between co-workers. Furnishing spaces with sit-to-stand options addresses sedentary behaviors by promoting physical motion and postural change. Positive results can also be achieved by intentionally designing the layout of the workplace to encourage more movement and interaction. By creating warm, comfortable gathering places alongside a hospitality area like a coffee bar that’s well-supplied with healthy snacks, you not only encourage employees to increase their activity by getting up from their desk for nourishing refreshment, you also provide them with the social opportunity to build mutually beneficial connections with others.

Mind Your Business

Offer up education and training on mindfulness techniques. Mindfulness is a mental state that is achieved by focusing one’s awareness on the present moment and blocking out other distractions that can impede the task at hand. Mindfulness practices such as meditation, breathing, and yoga can help your employees relieve stress and achieve balance, as well as increase their productivity and focus. A 2016 study published in the International Journal of Workplace Health Management found that employees who received a weekly two-hour training course on mindfulness over an eight-week period reduced anxiety and displayed higher levels of concentration on work. Mindfulness can also help deter employees from multitasking, which has also been found to reduce productivity over time.

Well-being: What employees value vs. what employers offer*

<table>
<thead>
<tr>
<th></th>
<th>Highly valuable or valuable</th>
<th>Offering program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flexible Schedules</td>
<td>86%</td>
<td>50%</td>
</tr>
<tr>
<td>Designated Office Space for Wellness</td>
<td>67%</td>
<td>27%</td>
</tr>
<tr>
<td>Healthy Snacks</td>
<td>63%</td>
<td>32%</td>
</tr>
<tr>
<td>Mental Health Counseling</td>
<td>60%</td>
<td>21%</td>
</tr>
<tr>
<td>Wellness Counseling</td>
<td>60%</td>
<td>35%</td>
</tr>
<tr>
<td>Health Monitoring or Cessation Programs</td>
<td>59%</td>
<td>24%</td>
</tr>
</tbody>
</table>

*Source: Deloitte Global Human Capital Trends survey, 2018

Lighten Up

Wherever possible, provide employees with access to natural light and make sure that ambient and task lighting are adequately addressed. Exposure to natural light can reduce eye strain, headaches, and drowsiness and improve overall workplace performance. According to the World Green Building Council, exposure to natural light increases productivity by 18% and better lighting, in general, pushes up work rates by 23%.

It’s Only Natural

It’s been scientifically proven that exposure to nature helps reduce stress, invigorates us, and helps us to better focus. Providing ample window views and access to nature through outdoor circulation paths or courtyard meeting spaces is certainly one way to tackle biophilic workplace design, but not every business is fortunate enough to be located in that perfect, pastoral setting. The good news is that you can bring nature indoors. Incorporating plants throughout your workspace not only looks good but—as an added bonus—helps to clean the air your employees are breathing by absorbing carbon dioxide and releasing oxygen.

Just the Right Place

Having the right furniture to support how work gets done today goes beyond just providing ergonomic task chairs for your employees. Making sure that there are a variety of workplace settings available—from lounge areas to stand-up meeting areas—will encourage postural change and healthy movement. With workspaces becoming more open to foster connection and collaboration, it becomes increasingly more important to provide designated, private areas for focus and reflection—which are essential to an employee’s ability to concentrate and rejuvenate. According to the International Interior Design Organization (IIDA), workers in the open plan are interrupted every 7 minutes on average, and it can take upwards of 15 minutes to get back to a place of deep concentration. In a 2014 IIDA workplace happiness survey, 80% of respondents said that “constant interruption” was what they would most like to change about their workplace. By properly addressing acoustics in the open plan and providing spaces for privacy, organizations can help mitigate the constant distractions and interruptions that interfere with workers’ productivity and happiness.

Improving workforce well-being reduces health care costs by more than $1,600 per employee

*Towers Watson, Staying@Work survey, 2014
DESIGNING WORKPLACES
to Support Employee Well-being and Engagement

How has the more recent emphasis on employee well-being impacted your approach to workspace design?

In previous years, there was a significant focus on LEED and green initiatives. Now we see a much larger emphasis on well-being and the employee experience. As a designer, my goal is to focus on the experience of the user within the space and how will it affect them in a positive sensory way. Well-being goes beyond just providing solutions that address the physical like sit-to-stand furniture. It’s also about access to daylight, water, and nature, along with promoting the ability for workers to be more mobile throughout the day with a variety of settings. I’ve found that businesses typically will invest in design for well-being because they see a direct positive impact on their bottom line.

With so many statistics that show the American workforce as being not engaged at work, what can designers do to help improve employee engagement?

Creativity and engagement improve when people are able to connect and collaborate with each other easily. To make a space successful and help foster engagement, we can’t design in a vacuum. Designers really need to work closely with our clients and understand what activities the space needs to support. We need to know about the different departments that work closely together. That way we can make sure that these departments are adjacent to each other. Factoring in collision areas to help foster impromptu collaboration is important in my designs. That’s why I design for meeting areas to be out in the open in between workstations for people to connect when they need to or else it becomes too cumbersome and inefficient for people to collaborate spontaneously.

Pictured: Maria Vondrasek

Studio Whitney Architects

Location: Oak Brook, Illinois

Whitney Architects

Made up of a diverse group of architects and interior designers, Whitney Architects was established in 1984 and is dedicated to the advancement of interior architecture. Their studio approach embraces a collaboration of disciplines which allows them to develop innovative, personalized solutions through focused listening and creative problem-solving. Whitney prides themselves in not only providing what their clients want but, more importantly, helping their clients to define what they need.

We spoke with Project Designer, Maria Vondrasek to get her perspective on workplace design to support employee well-being and Engagement.
**Q.** As a designer, how do you balance the need for employee collaboration while still providing opportunities for individual concentration?

**A.** Every client situation is unique, so the correct balance is not a copy and paste formula. As a designer, it’s important to understand how a company functions and what the primary tasks are that support that business to develop the correct ratio of collaborative areas to concentration spaces. What’s appropriate for one client may not be what’s considered on trend. What does hold true is that every client needs to accommodate both ends of the spectrum, but the ratio of spaces may vary considerably from client to client. That’s why an in-depth discovery process is so important.

The good news is that it’s not difficult to create that balance of collaborative to concentration spaces because there are many effective furniture options available that can create small focus spaces without being tied to the architecture, so they can be interspersed throughout an area as needed. Also, when factoring in spaces for concentration, we also need to pay close attention to acoustics and the perception of privacy. I design focus spaces around a 3-wall rule which supports the feeling of being enclosed.

**Q.** What are some design principles that can facilitate healthy movement?

**A.** It’s vital for workers to get up and move around, not just for health, but also because it promotes collaboration and efficiency. Variety – the work from anywhere concept – is really essential. No matter the size of the company, we’ve found that people want choice in where to work and having choice is really pivotal in facilitating movement. It definitely challenges a designer to think outside of the box.

Ancillary lounge areas need to be appropriately designed, or you could be wasting square footage. They need to be workable and provide power access so that someone can sit there for an extended period of time. Different postures, such as lounge and standing height, need to be broken apart and should not all be in one targeted area. There should be visual access to collaborative areas to facilitate people to use them, which will drive better space utilization. Not every floor can have a work café, but it is important that each floor has its own coffee station which will encourage people to get up and connect.

One key thing is that I always ensure is that the furniture I’m specifying is usable because if people don’t like it, they simply won’t use it. And we know that ergonomic furniture is only successful if employees know how to use and adjust them. All our clients who have height adjustable/sit-to-stand desking really enjoy it. These options seem to appease the need for choice and improve health at the same time. Also, providing workers with mobile tables and seating that allow for reconfiguration also helps promote choice and movement.