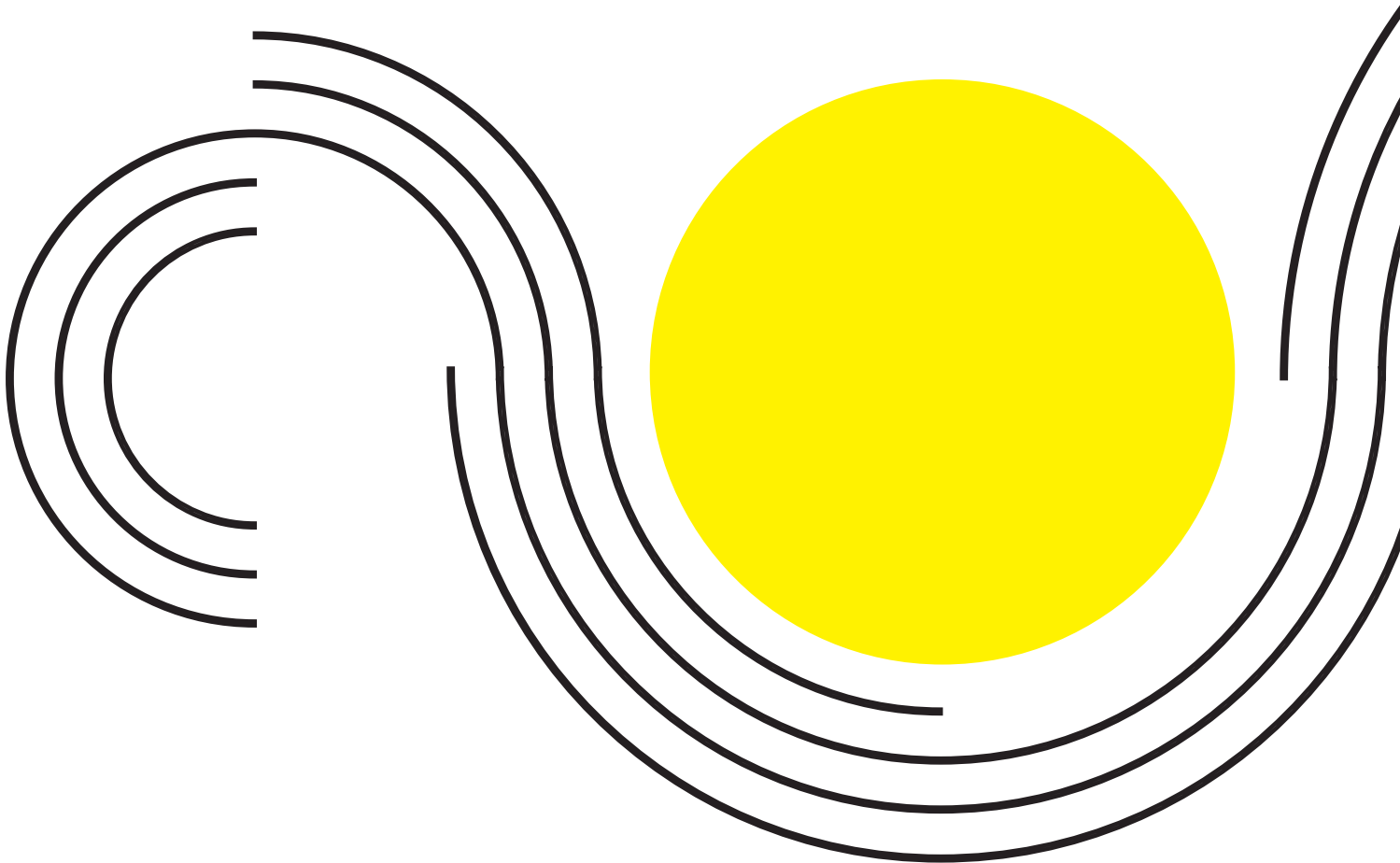


2023 Alight International Workforce and Wellbeing Mindset Study



alight

Alight mindset research

The 2023 International Workforce and Wellbeing Mindset Study is Alight's 13th annual U.S. report, examining employee wellbeing, culture, total rewards and workplace technology.

The study's goal is to understand employee perceptions to help employers optimize their employees' wellbeing and experiences to improve engagement, productivity and performance.

Between March and April 2023, responses were collected from 2,000 U.S. employees working full- or part-time at employers with at least 1,000 employees. We also surveyed 500 in the United Kingdom, France, Germany and the Netherlands.

Our sample is representative of a range of age groups, along with race, gender and sexual orientation. Employees work across a broad array of industries and in a variety of work setups, including at home, in the office and hybrid arrangements.

This report explores the U.S. findings of Alight's 2023 International Workforce and Wellbeing Mindset Study. **The U.S. employee experience is changing once again. But is it still improving?**

EXECUTIVE SUMMARY

In the aftermath of significant workplace change in the early 2020s, there was hope that employers would continue providing caring, flexible and healthy environments. Many envisioned a future where employees would have more autonomy in their work, access to innovative resources and an overall improved sense of job satisfaction and wellbeing. However, with new economic challenges, such as increased inflation and a looming threat of recession, employers are refocusing on their bottom lines. Regrettably, employees are now experiencing a sense of loss as the once-promising support from their employers seems to be fading away.

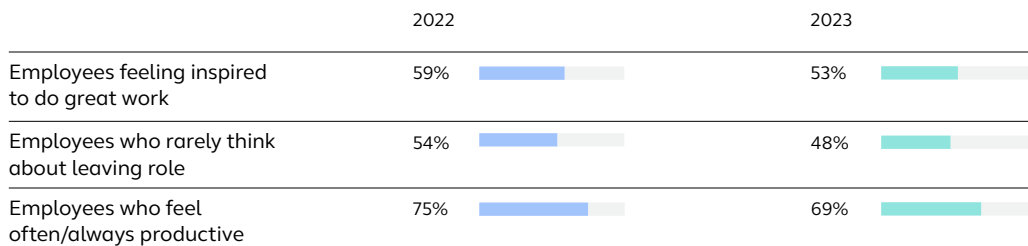
27% of U.S. workers have lost trust in their employers' wellbeing efforts

Today, U.S. employees feel less in control of their wellbeing. Just 52% feel they have the power and resources to improve their health and happiness, compared to 60% in 2022. To reignite engagement, wellbeing efforts from employers will require new tools and ongoing support to provide personalized and integrated benefits to workers when they need them most. This kind of “continuous improvement” mindset is already commonplace in other aspects of business. Now, it needs to be applied to supporting employees.

Financial pressures, mass layoffs and a “wait-and-see” approach, in which employers react to challenges rather than anticipating and preparing for them, have also caused some employees to disengage and lose trust in their employers. Today, 69% of workers claim to be always/often productive and 53% feel inspired to do great work, compared to 75% and 59% respectively in 2022. Employees feel disconnected from their workplace and are looking to their employers to take responsibility and address their concerns.

To regain momentum, employers must invest in platforms that support employee wellbeing, such as a personalized smartphone app that hosts workplace benefits and resources. Culture and technology can work together to foster productivity, meet modern employee expectations and retain top talent.

Employee experiences are deteriorating. Decreases in important worker metrics, such as feeling inspired to do great work and wanting to stay in their current role, contribute to widespread employee fatigue and instability. Employees also feel that employers overlook the importance of their wellbeing.



Employees crave steadiness and financial security

The U.S. economy is evolving. As previously secure, high-growth industries like the tech sector are forced to make considerable layoffs, financial uncertainty has left over a third (36%) of U.S. employees concerned about their long-term job stability.

Meanwhile, half (52%) of employees say they have no plans to leave their current employer, a 22% decrease from 2022.

There is no change from last year in the percentage of employees actively looking for a new job in a more stable or satisfying environment (19%). However, the rate of those who are not actively looking but are open to leaving if offered a new job has dramatically risen by 142%, now standing at more than a quarter of the workforce (29%).

More than a third (36%) of employees have been forced to seek secondary employment. 78% of these workers say they needed a second job to ensure financial security amid the downturn. But this extra workload may impact their energy, focus and output in their primary roles, potentially damaging their job security further.

To help the U.S. workforce feel more secure and productive, we must understand the reasons behind their dissatisfaction and explore what employers can do to reverse these trends.

The “live to work” culture is disappearing

For decades, the “American Dream” has inspired individuals to work as hard as possible, putting in long hours, working multiple jobs and taking few vacations, with the promise of financial rewards in the future.

Historically, higher pay remains the top reason employees look for a new job. But now, Americans are looking beyond their salary for fulfillment and the impact of an improved work-life balance has skyrocketed in importance among those looking for a new role.

This shift in priorities reflects a changing mindset among American workers, who are increasingly recognizing the need for a healthy equilibrium between their professional and personal lives. Meanwhile, the third top reason to find new employment is the prospect of a better manager or leader, proving the adage “people don’t leave jobs, they leave managers” still rings true.

According to 2023 data, U.S. workers also value flexibility around their working arrangements, such as the freedom to work from home, a choice on which days they come into the office and the option to adapt their working schedule around their personal lives. 87% of employees working from home are happy with the arrangement, compared to 63% of those in the office full-time.

A commitment to causes has become key

Taking a public stand on issues close to employees’ hearts is now the top company differentiator (61%), rating above “a fun place to work” (57%) and “meaningful work” (49%) when people compare potential employers. As Millennials and Gen Z become the dominant generations in the U.S. workforce, younger workers expect their employers to take on increasing social responsibility for important causes.

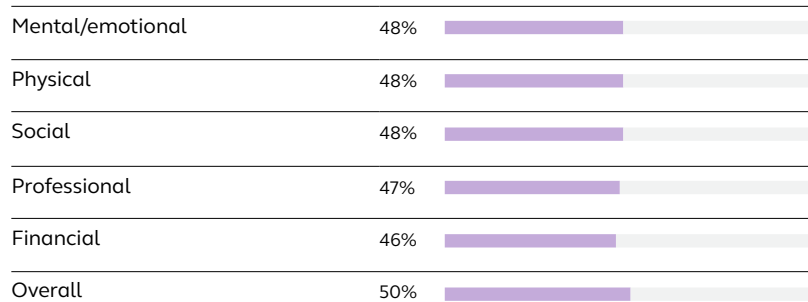
Fortunately, six in 10 employees attest that their company supports a diverse, equitable and inclusive culture, which is a cause that over half of respondents (51%) say is important to them. However, fewer employees now agree that their personal values align with their employers’— 55%, compared to 59% last year. To retain talent, employers are expected to advocate for genuine social change from sustainability initiatives.



WELLBEING NEEDS, EXPECTATIONS AND PRIORITIES

According to the 2023 Mindset Study, employee wellbeing has stagnated, with only half of workers feeling positive about their overall wellbeing. However, even more troubling is how employees perceive their companies' commitment to wellbeing.

% of employees who rate aspects of their wellbeing positively



Workplace wellbeing continues to dominate headlines in the HR industry, but the proportion of employees who feel their employer cares about their wellbeing has fallen from 47% in 2022 to 41% this year. Overall, just 56% of employees feel in control of their wellbeing.

As economic pressures rise, we see some evidence that employers are no longer prioritizing ancillary benefits. Only 43% of employees say their company supports them with resources to better manage and improve their wellbeing, down 10% from 2022, while 38% report that their employers have discontinued a variety of wellbeing programs such as stress management, nutrition, parental and caregiver support and mortgage assistance in the past year.

Some employers no longer retain their employees' confidence to provide even the necessary support. Today, only 46% of workers feel their employer would have their back if they experienced a wellbeing challenge (an 8% decrease), just 45% agree that their wellbeing benefits are relevant to them and over a quarter (27%) say they've lost trust in their employers' wellbeing efforts.

There is room for improvement in this space. Employers must take responsibility to show they care about staff wellbeing and serve up relevant programs. Otherwise, they risk drops in staff productivity, engagement and retention. So, where can employers increase their support?

Mind: Mental wellbeing

Three-quarters (75%) of U.S. employees experience moderate/high stress levels. These figures are even higher for younger employees, with both Gen Z and Millennials at 80%. Personal finances (56%), job challenges (52%) and physical health (32%) rank as the top three sources of stress, while 29% of employees say their mental health has declined due to the current economic environment

Unfortunately, more Americans are taking work home with them, too. 75% say they have experienced some adverse effect of job-related stress, with sleep disruption (53%), low morale (43%) and anxiety attacks (37%) having the biggest impacts.

Nearly one-third (30%) of U.S. workers say their job negatively impacts their mental health.

One bright spot is that almost half (47%) of employees have spoken to their supervisor about job stress. 77% of them were satisfied with how the supervisor handled the discussion, and 76% reported that their manager provided support or solutions to help address the stress.

Yet beyond direct managers, the quality of wellbeing support has fallen year-over-year. Fewer employers are making changes to improve mental wellbeing (36% vs. 40% in 2022) and employees feel less able to openly speak about their mental health at work (41% vs. 46% in 2022).

Positive momentum around mental health, built up during the pandemic, is now slowing. But there are tangible actions employers can take to bolster employee wellbeing.

Top five benefits to help workers improve wellbeing	% of employees who named it as a priority
A better work-life balance	66%
Sufficient time off work	50%
A culture that prioritizes wellbeing	41%
More wellbeing resources	39%
More mental health programs	34%

Currently, 34% of workers say they dread starting their workday; only 58% are confident they can be themselves at work and just 57% feel like they belong. Fortunately, employers who provide a variety of interconnected benefits can reverse the downward trend. How employers help individuals to be their best selves at work and at home will improve their wellbeing and drive loyalty.

Body: Physical wellbeing

When U.S. employees need to see a doctor, many cannot access one. Almost half (47%) say they have been unable to receive services like doctor visits, lab work, urgent care, specialist care or surgeries when required. One quarter of people who needed dental care were unable to access it, while 33% of people said they needed mental health care but didn't receive it.

Of those that did not or could not seek healthcare, 41% put it down to costs, 23% were unsure where to go and 23% faced overly long wait times. Plus, 38% said they had problems trusting their doctor, often due to a lack of time spent with them.

In terms of employee benefits, 71% are enrolled in an employer health plan, with the rest evenly divided between a spouse/partner's plan, a private health plan and no plan at all. However, only 62% say they know where to go to get information on picking the right plan, and 44% regretted a healthcare decision because they took bad advice, jumped into treatment, did not check costs or neglected to see if a provider was in-network.

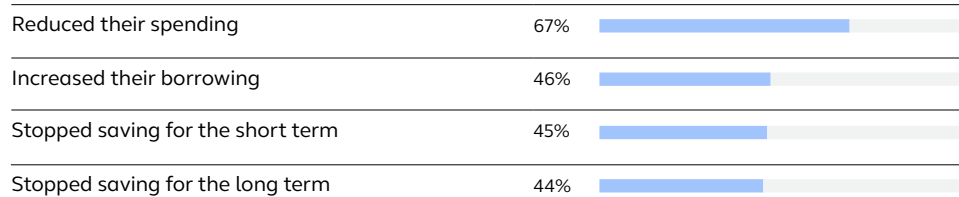
Here, a benefit enrollment guidance tool is crucial, particularly when employees join the company. From cost clarity services to expert advice and second opinions, 92% of workers agree this type of tool would prove valuable when making decisions, providing an ideal opportunity for employers to gain their trust.



Wallet: Financial wellbeing

Though the U.S. inflation rate seems to have peaked in 2022, 31% of workers are still feeling the financial pinch and often have no money left over at the end of the month. This is despite taking sensible fiscal action to respond to the crisis, like reducing their spending, which more than two-thirds (67%) did.

Top actions taken by employees to ease impact of inflation



Meanwhile, nearly half (49%) of employees are concerned the money they have/save won't last, 46% feel their finances control their life and 39% fear they will never have the life they desire due to their finances.

With the Supreme Court of the United States blocking the Biden administration's plan to forgive student debt, employers could offer benefits like student loan consolidation and repayment assistance to attract and retain workers. If they cannot afford to raise salaries or benefits costs directly, employers may connect employees to third-party providers who can help them create a budget, plan for retirement and manage debt.

Deliver more relevant benefits and drive usage

More than half (52%) of employees say they understand the benefits available to them, but many employees don't use them. The top reasons for this disparity include not having enough time to evaluate the offerings, overly complex access or benefits that simply don't meet their family's needs. These metrics have all deteriorated since 2022's survey.

Employers must re-evaluate their benefits to ensure they're still bringing value to their employees, particularly amid today's ever-changing economic and social landscape. With 19% of employees still without access to any wellbeing benefits, more investment into mental health aid will help them deliver their best every day. After all, benefits still have a role to play in the employee experience.

47% of U.S. workers agree benefits make the company more attractive, while 42% say benefits help boost productivity.

It's important to note that an effective benefits program isn't just about providing more services but promoting and encouraging the use of existing ones. Just 56% of employees agree the current pay, benefits and wellbeing communications they receive are effective. Only 35% report having a wellbeing site available and just 31% receive an electronic wellbeing newsletter. Yet 85% of those who visited a wellbeing site found it valuable, and seven in 10 agreed that a newsletter emailed to them is useful, too. These channels remain underutilized.

Ultimately, one of the most valuable benefits employers can offer is the time to take advantage of these programs. Only 35% of employees receive any type of wellbeing hours, but half of respondents say this extra time off would improve their working lives. It's the second-most desired benefit behind work-life balance.



Tailor experiences to individual employees

The flexibility and freedom of modern working arrangements have only added to employees' sense of individualism. They no longer want blanket packages of benefits or identical management styles from their employers, but personalized support and services that celebrate their unique needs and desires.

In fact, workers are generally happy to share personal information with their employers to access more relevant resources, with around two-thirds comfortable sharing health information (69%) and financial information (65%) to receive unique guidance. This suggests that employees understand the advantages of personalized messages, tools and benefits.

Around two-thirds of employees are happy to share personal health and financial information to receive unique support

The more relevant employers make their tools, programs and communication, the more likely their people are to engage with and value them.

Tools that organizations can implement to deliver this personalization include employee experience/engagement platforms, dedicated community channels, learning and development opportunities, AI-powered content, notifications and emails and wellbeing programs that span a variety of ages and stages. We know employees are open to receiving help from their employers, but organizations need to make sure their people realize what is available and feel motivated to take advantage of the tools and resources offered.

To boost engagement, employers must also be receptive to individuals' ideas on new initiatives. Then, they should collaborate with their benefits partners, brokers and providers to see if they can improve the breadth and relevance of their offerings, depending on variables like cost and feasibility.

Help people to make more confident choices around their wellbeing

Alongside a lack of personalized messaging, 34% of employees say they don't have any access to online wellbeing navigation support, second opinions, financial coaching or clinical experts. Plus, just 26% report receiving any personal support when navigating their health system and its costs. Yet the value of these services is clear. To encourage engagement, employers must again educate their employees about the available resources via navigation services and clinical guidance, AI-driven nudges and messaging, sessions with financial advisors and more.

Five most valuable types of employer support	% of employees who named it as a priority
Personal financial coaching	87%
Access to second opinion services	85%
Personalized health messaging	84%
Personalized financial messaging	82%
Access to clinical experts	82%

When employees feel supported, they make positive choices, and this brings satisfaction and productivity to their daily working lives. So, digital tools have an important part to play when it comes to selecting benefits, using money-saving planning resources and accessing wellbeing support. People are open to receiving help, but they need to know it's there. They must also be motivated to take advantage of the tools and resources offered.



Streamline and ‘sell’ your HR technology

U.S. employers tend to use different platforms or systems for distinct functions, making navigation complex. It’s no wonder 85% of employees agree that a ‘one-stop-shop,’ such as a mobile app, would prove useful in terms of personal recommendations, access to vendors/partners and making better health and financial decisions.

Currently, employees’ experiences with HR technology remain underwhelming. Less than half (47%) consider their system easy to use or effective. Streamlined HR platforms can make it easier for employees to know where to go, access the right programs and content and enjoy more time to focus on what really matters.

A quality, employee-focused HR ecosystem will feature important tools and services, such as the abilities to:

- Find a doctor/urgent care clinic
- Review pension benefits
- Enroll in important workplace perks
- Review time off balance
- See whether an individual is on track for retirement
- Monitor medical costs
- Review and change 401(k) contributions
- Get support from AI-powered HR tools
- And more

To be successful, HR technologies must be woven throughout company culture. This starts from the top — leaders and managers must regularly reference the tools, such as a mental health support app, so the remainder of the workforce feels confident and at ease with using them. Employers today face a crucial choice: do they want to stick to the status quo or are they ready to invest in technology that transforms the employee experience for good?

The ROI for employers investing in user-friendly HR platforms

Time and cost savings

User-friendly HR platforms can automate many administrative tasks such as payroll processing, benefits administration, time and attendance tracking and employee onboarding. This can reduce the time HR staff spends on manual tasks, leading to cost savings through increased efficiency and reduced errors.

Improved productivity

With self-service features, employees can update their personal information, access pay stubs, request time off and enroll in benefits without needing direct HR assistance. This empowers employees to take ownership of their information, freeing up HR personnel to focus on more strategic tasks.

Better decision-making

User-friendly HR platforms often provide comprehensive analytics and reporting tools. These insights can aid HR teams and management in making data-driven decisions related to workforce planning, talent acquisition and employee performance.

Employee engagement

A user-friendly HR platform can contribute to improved employee experience by providing easy access to information, faster issue resolution and personalized communication. This can positively impact employee satisfaction, engagement and retention.

Scalability

As organizations grow, managing HR processes manually can become challenging. User-friendly HR platforms can scale with the organization's growth, adapting to increased employee numbers and complexities.

Data download

Fast facts about how employees feel about their wellbeing, employers and overall experience.



Work

- In the U.S., 19% are fully remote, 40% hybrid and 41% are onsite all the time.
- 87% of remote workers are satisfied and 40% would immediately resign or look for another job if they had to go hybrid, while another 24% would remain but feel disengaged.
- 32% think their employer expects too much of them.
- 39% put too much pressure on themselves at work.



Life

- People rank money (45%), attention (38%) and time (36%) as the primary factors standing in their way of living a healthy life.
- 46% report suffering symptoms of burnout.
- 44% don't think they'll be able to retire when they'd like to.
- 27% would take a pay cut to get more job flexibility.
- 56% wouldn't even consider a job with less flexibility than they have today.



Rewards

- 27% report that their total rewards meet their family needs.
- 52% have a good understanding of their total rewards.
- 45% don't think they are paid enough for the work they do.
- 33% say meaningful work is more important than pay.

Alight's point of view

Despite employers' ongoing efforts to expand wellbeing programs and enhance the overall employee experience, there has been a noticeable decline in workers' perceptions of their employers' commitment to employee wellbeing and an increasing restlessness in terms of employee loyalty and engagement.

Employers need to reconsider their strategies when it comes to attracting, retaining and engaging their people, at work and at home — it cannot be merely about adding more benefits and programs. It is crucial for employers to prioritize initiatives that facilitate easy access to relevant and effective resources. Part of their role is to help employees use their benefits effectively, especially when they are needed in the moments that matter most. It's also about showing that the company genuinely cares about their employees and telling an authentic story about that commitment.

To achieve this, employers should assess and optimize the way they support and communicate with their workers. By identifying opportunities to empower people, they can foster an environment where employees thrive long into the future.

At Alight, we are committed to supporting the wellbeing of workers and their families, with a focus on all four pillars: healthy mind, healthy body, healthy wallet and healthy life, grounded in inclusion so that all employees can live their best lives. We fuse high-tech with high-touch, delivering integrated wellbeing solutions and driving positive outcomes for both organizations and individuals. By utilizing Alight's digitally enabled and data-driven employee wellbeing solutions, including our Healthy Mind resources, employers can empower their people to better engage with their benefits through a more connected user experience, building a happier, healthier and more productive workforce.

About Alight

Alight is a leading cloud-based human capital technology and services provider that powers confident health, wealth and wellbeing decisions for 36 million people and dependents. Our Alight Worklife® platform combines data and analytics with a simple, seamless user experience. Supported by our global delivery capabilities, Alight Worklife is transforming the employee experience for people around the world. With personalized, data-driven health, wealth, pay and wellbeing insights, Alight brings people the security of better outcomes and peace of mind throughout life's big moments and most important decisions. Learn how Alight unlocks growth for organizations of all sizes at alight.com

Powering confident decisions, for life.

RESEARCH PARTNERS

This year's survey was led by Alight Solutions and conducted by Kantar with the strategic guidance of the Age of Human.

Kantar is the world's leading evidence-based insights and consulting company. By combining innovative analytics and technology and 25,000 employees, 100 million respondents and 2 billion data profiles across 90 markets, it helps clients to understand people and inspire growth.

The Age of Human offers services from coaching to team leadership to consulting to community. It has 25+ years' experience in market research consultancy for human-centric experiences, using research techniques from in-depth individual interviews to conjoint (classic qualitative and quantitative research) and infusing this with human design understanding.

CONTACTS

Laine Thomas Conway

Vice President, Engagement Services Strategy and Thought Leader
laine.thomas@alight.com

Rob Austin

Vice President, Head of Research
rob.austin@alight.com

Mariana Fischbach

Senior Manager of Public Relations
mariana.fischbach@alight.com

For more information, visit alight.com