Health And Wellness

Why Workplace Well-Being Programs Don't Achieve Better Outcomes

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Summary. By 2026, global corporate spending on wellness programs is set to top $94.6 billion, yet anticipated improvements in well-being are not being realized, and, in fact, mental health needs are continuing to rise around the world. Drawing on a large body of recent research, the authors argue that well-being programs are failing, in part, because they focus on individual solutions rather than the broader systems that affect workers. The authors offer research-backed solutions to companies looking to better predict mental health improvements and increase the return-on-investment in their well-being programs. **close**

Nearly 85% of large U.S. employers offer workplace wellness programs, yet the burnout and mental health needs that they are meant to address have continued to escalate. By 2026 global corporate spending on wellness is set to top $94.6 billion. Despite this substantial investment, anticipated improvements in well-being are not being realized. This mismatch between increased money spent and declining mental health outcomes prompts a crucial question: why aren't workplace well-being programs achieving better outcomes?

We argue — based on a systematic review of recent research in this area — that the lack of impact of well-being programs is explained in part by a focus on the individual employee rather than the systems that affect them. To tackle the challenges employees face, we argue that there must be a shift from individual-level interventions ("I-frame"), like well-being apps, AI chatbots, and employee stress management training, to broader systemic interventions ("S-frame"), such as workload management and mental health development training for leaders.

Aligning with recommendations from the World Health Organization and ISO 45003, the first global standard for managing psychological health and safety at work, we point out the challenges of I-frame-only interventions and offer companies research-backed solutions designed to improve employee mental health while increasing corporate return on investment on well-being.

Why Individual-Focused Approaches Fall Short

Companies tend to prefer digital solutions, like meditation apps, chatbots, or online therapy, because they are significantly easier to scale and standardize compared to on-site solutions and can be made available without having to make major organizational changes. Examining a wide body of research, we find five key reasons these offerings alone may not be sufficient to address worsening employee well-being.

1. They overlook root causes

One important drawback of an individually focused approach is that it often fails to address systemic issues. This can result in "carewashing" — superficial care initiatives that workers may perceive as failing to tackle root causes. Carewashing can leave employees feeling more disengaged and in poorer mental health than if their organizations had not offered an initiative in the first place. For example, imagine an employee who badly needs help with excessive stress due to a demanding workload. If they use a company-sponsored mindfulness app and talk to an online therapist, but their stress does not improve (because their workload has not changed), this might make them feel hopeless rather than supported.

In the case of burnout, Public Health England's review of the evidence for workplace interventions identified that individual measures, including evidence-based interventions like cognitive behavioral therapy, are insufficient without changes to the work practices that contribute to burnout risk, including workload management and job design. This evidence suggests that accessing therapy or developing mindfulness skills might not improve well-being without organizations also addressing factors outside of an employee's control.

2. They're seen as hypocritical

Similarly, instructing employees to focus on self-care can be seen as hypocritical when employees believe that the demands or structure of their jobs, rather than personal issues, are sources of worsening mental health. In one study, researchers asked doctoral students with high workloads to report whether their training center encouraged them to engage in more self-care. When doctoral students received this advice, the students reported feeling "frustrated" (66.7%), "annoyed" (65.4%), "anxious" or " guilty" (42%), and "pressured" (38.3%), and did not believe that their faculty were genuinely invested in their well-being. In fact, many students felt the "… faculty only paid "lip service" to … self-care…" and that telling students to engage in self-care was "hypocritical" considering their excessive workload.

3. They're not widely used

Most mental health solutions offered in the workplace are either employee assistance programs (EAPs), which offer short-term counseling or phone access to a helpline, or preventative tech solutions, like mindfulness apps. These low-touch solutions have minimal engagement. In the case of EAPs, engagement rates have remained at around 5–10% since their development in the 1980s, with contributing factors including mental health stigma and poor service.

In a representative survey by Deloitte of 1,274 U.S. workers, 68% said they did not use the full value of the well-being resources their organizations offered because accessing programs was either too time-consuming, confusing, or cumbersome.

4. They aren't effective

An Oxford University study of 46,336 workers in 233 organizations compared employees who did and did not engage in a range of common individual-level well-being interventions, including resilience training, mindfulness, and well-being apps. Across multiple subjective well-being indicators, intervention participants were no better off after engaging in these interventions. In the U.S., a randomized controlled trial of workplace well-being programs involving over 30,000 workers found similarly minimal effects on employee health, and another study of nearly 5,000 U.S. employees found a lack of evidence to support a causal impact of wellness programs on employee well-being. The research suggests that this could be driven in part by only the healthiest employees engaging with these platforms in the first place.

5. They lack employer buy-in

Further, there is low leadership engagement in promoting or tracking outcomes through these solutions over time. According to a report from Wellable, which tracks industry well-being program trends, less than a quarter of health insurance brokers, who represent thousands of employers, say that most of their clients carry out best practices for integrating solutions like collecting employee feedback, measuring success, and ensuring leadership involvement. Without outcome metrics or feedback, employers can't make changes to enhance services for employees or show the value of their investment to stakeholders.

Moving Toward a Holistic Approach

To reduce the risk of carewashing with individual solutions and to improve the efficacy of existing programs, there are measures organizations *can* take, including equipping leadership for success and implementing policies to support employee well-being.

Unlike individually focused solutions, these broader interventions can sometimes present challenges to implementation or require more significant changes like reimagining workflow or operations, which can make them a tougher initial sell to HR and senior management.

However, to truly combat rising need and mitigate the costs of poor well-being, we believe that systemic change is essential. We offer research-based strategies that leaders should consider to help unlock the return-on-investment of their well-being programs.

1. Respond to employee needs with organizational change

The top priorities for employees are work-life balance and flexibility, with one in four workers (25%) willing to sacrifice 15% of their annual salary for flexible working hours. Addressing these priorities is possible and doing so has been shown to reduce healthcare costs attributed to high work demands and long working hours and to positively predict mental health.

One prime example of making an organization change to better serve employee needs is visible in the growing use and research into four-day work weeks. A four-day work week can return important time to employees, helping participating employees manage stress and report greater productivity in the hours they're at work.

While research on the impact of four-day weeks is ongoing, the World Economic Forum reports positive results for organizations and employees from global trials. Notable findings include Microsoft Japan's trial, where objective productivity increased by 40%, and a U.K. study, showing that male workers were able to spend 27% more time caring for their children.

Other examples of changing organizational structures include policies such as the "Results Only Work Environment" (ROWE) developed by Best Buy, and "Maker Time" and "Focus Fridays" advocated by Slack. ROWE is a flexibility initiative that gives employees control over when, where, and how they work, as long as they meet their job objectives. A study of ROWE found significant benefits, including reduced negative work-to-home spillover and increased positive health behaviors. And 84% of workers at Slack reported that their "Focus Fridays" initiative, which sets aside dedicated time for uninterrupted work, was beneficial.

2. Support structural changes with clear goals and metrics

To effectively roll out a system-level change, the structures around it are critical for success. Companies should consider setting out well-defined goals and metrics, clearly communicating the change they wish to observe, and looking for opportunities to streamline existing working processes to accomplish these outcomes. Leaders should also consider how to incentivize relevant stakeholders by making engagement a core part of their performance evaluations.

Organizations can also track mental health outcomes over time and monitor the impact of well-being solutions. According to a survey of HR leaders, only 39% of organizations fully quantify the impact of poor well-being on the financial performance of their organizations.

Using metrics that are monitored over time and transparently reported across organizations can promote a culture that recognizes the impact of mental health on performance and prioritizes this as part of organizational operations. In a survey of 3,150 leaders by Deloitte, the majority (83%) feel that publicly reporting metrics could build trust between employees, and nearly three-quarters (72%) believe executives' bonuses should be tied to workforce well-being metrics.

To effectively track well-being, organizational buy-in is needed to integrate mental health data collection into engagement survey collection, and to ensure that these tools are asking the right questions to accurately record employee mental health. After collection, organizations need capacity to analyze and implement change based on these insights, and to observe returns on investment. For example, companies could adopt a simple four-question workplace well-being module that measures job satisfaction, sense of purpose, happiness, and stress levels on a regular basis, suggested as the "gold standard" approach in recent research.

This concise yet comprehensive approach allows for frequent "pulsing" of employee well-being, which can be done through weekly email surveys or even through screens that employees interact with during their workday. By consistently tracking these metrics, organizations can identify trends, address issues promptly, and measure the impact of well-being initiatives on key performance indicators such as productivity, retention, and recruitment.

3. Develop grassroots employee well-being champion networks

An emerging area of employee input into well-being implementation is well-being champion networks, which consist of volunteer employees who support teams on a "grassroots" level. By acting as advocates for mental health, these champions can deliver feedback to decision-makers and identify areas of improvement for organizations. As a point of contact for employees, they can be a source of peer support, which research suggests can build resilience, help prevent burnout, and aid in addressing the rising epidemic of loneliness at work.

To implement a well-being champion model effectively, system-level change may be required, including policies and resources to equip well-being champions to fulfill their role effectively, and to accommodate the role around their existing workload rather than being "in addition to" a full workload. In a study of well-being champions and line manager support, champions with supportive managers reported higher engagement with motivating colleagues and planning activities compared with those with lower levels of perceived manager support.

4. Equip leaders to support organizational change

Managers significantly impact employee well-being. Enhancing a manager's people management skills from the 10th to the 90th percentile can reduce turnover by 60%.

However, many leaders struggle to develop these skills due to cultural norms, competing demands, and a lack of mental health knowledge. A survey of 3,000 U.S. and U.K. managers by Unmind revealed that 40% worried about saying the wrong thing regarding mental health, and 10% felt these discussions were at odds with their company culture.

To effectively integrate people leadership and mental health skills into professional development, organizations can look to examples like Entain, a global entertainment company. By embedding mental health training into their management curriculum and tailoring communication for each region, Entain saw high employee engagement, and 73% of managers took positive actions to support their employees post-training.

Research supports the benefits of such initiatives. An analysis of over 7,000 UK businesses found that those offering mental health training for line managers experienced better business outcomes, including higher customer satisfaction, employee retention, and financial returns.

Additionally, manager training programs have been shown to increase engagement with well-being programs and improve leadership confidence in addressing mental health issues.

While managers play a crucial role in promoting workplace well-being, a broader organizational strategy and investment are necessary to incorporate mental health into leadership development and ensure it aligns with overall business strategy.

5. Build accountability with global standards and ESG

Employee well-being is now a crucial aspect of managing human capital risk, an essential part of the social dimension in ESG frameworks. Recognizing poor well-being as a risk to organizational success, companies are increasingly required to measure, report, and address these issues. The pandemic has accelerated this shift, with corporate leaders making long-term commitments to well-being strategies.

C-suite leaders are now playing a key role in proactive, organization-wide measures rather than reactive, individual-level interventions. Most notably, some companies have invested in hiring senior executives such as chief wellness officers and chief happiness officers — including major names in business such as Deloitte, Google, Rakuten, Salesforce, TikTok, and Siemens.

Regulations like the Workforce Investment Disclosure Act of 2021 in the U.S. mandate public companies to disclose human capital metrics, many of which reflect employee well-being. This legal landscape is expected to expand, demanding organizations take measurable actions to support employees. A global study reports that this type of legislation has been shown to predict better job resources and lower stress levels, underlining the importance of legal frameworks in fostering comprehensive well-being initiatives.

Organizations can align with these expectations and attract investor interest by adhering to standards like ISO 45003, which helps companies systematically assess and implement measures across organizational policies, work environments, and support systems to eliminate or manage psychosocial risks. Adopting such frameworks not only prepares organizations for potential legislative changes but also ensures they provide effective support for both individual and systemic changes.

As ESG considerations and new legislation increasingly emphasize employee mental health, accountability and transparency are becoming critical priorities for organizations. This shift calls for a reassessment of individual solutions and the adoption of comprehensive, long-term strategies that integrate both individual and systemic changes to improve employee well-being.

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Implementing holistic change may seem daunting, but it can be accomplished by embedding well-being strategies across all levels of an organization. Leveraging leaders' influence on employee engagement and mental health, and incorporating organizational measures into well-being initiatives, can help to address issues like low uptake, poor ROI, and carewashing in well-being programs.

Leaders play a crucial role in advocating for these changes, aligning both individual and organizational commitments to mental health. By acting as behavioral architects, they can foster a culture that prioritizes mental health and well-being at every level, ensuring that support is deeply integrated into the organization. This approach has the potential not only to enhance employee satisfaction and engagement but also to deliver a strong return on investment on corporate well-being initiatives.

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