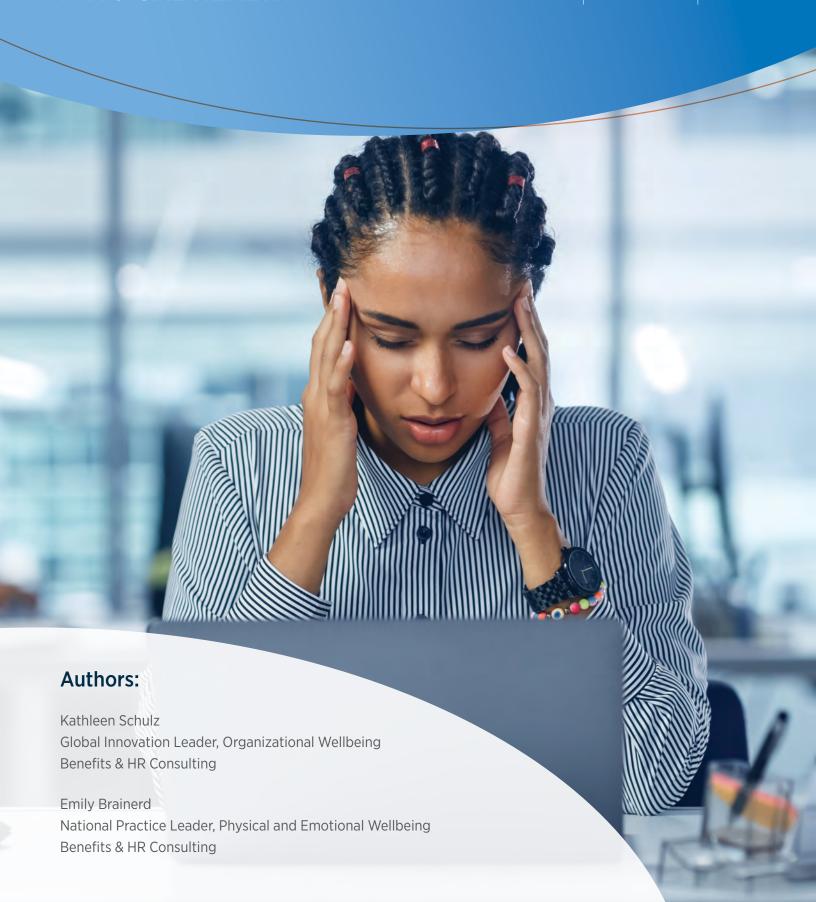
TOXIC WORK CULTURE HARMS YOUR EMPLOYEES' MENTAL AND PHYSICAL HEALTH



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A POWERFUL WARNING FROM THE U.S. SURGEON GENERAL

October 20, 2022, U.S. Surgeon General Vivek Murthy issued a powerful warning: **Toxic workplaces negatively impact physical and mental health.** The warning on the role of the workplace in wellbeing comes as many workers continue to report work stress and burnout. The guidance was accompanied by a comprehensive Framework for Workplace Mental Health & Well-being.

While issues around emotional wellbeing were at alarming rates prior to COVID-19, the pandemic has accelerated the conversation bringing broad recognition and appreciation for how work environment, culture and community impact employees' physical and emotional health.

GOING BEYOND HEALTH RESOURCES

Having employer-sponsored access to mental health benefits and resources, including a robust Employee Assistance Program (EAP), has long been the solution to emotional wellbeing support.

Gallagher's Organizational Wellbeing Workforce Trends Report indicated that 79% of employers stated that emotional wellbeing is the most important wellbeing dimension that has increased in importance since 2020,¹ driving new solutions in virtual or telephonic mental health counseling, stress management programs, time off for mental health and mental health training for managers. These solutions are supported by a wave of new vendors and providers, with innovative strategies and next-generation technologies.

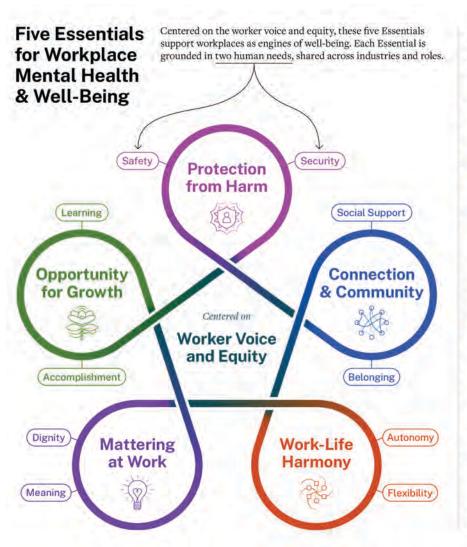
Although employer-sponsored solutions are an important component of support, it is the recognition of culture (specifically the impact of a toxic workplace) that brings additional awareness and a sense of urgency to how all of the elements of culture impact not only efforts to attract, retain and engage talent, but also employee's wellbeing. This holistic perspective is outlined in the Surgeon General's Workplace Mental Health & Well-being Framework,² launched in conjunction with the Surgeon General's Warning on Toxic Workplaces,³ which reinforces the need for employers to go beyond just offering health resources.

The framework outlines many workplace variables and stressors that arise from heavy workloads, long commutes, unpredictable schedules, limited autonomy, long work hours, multiple jobs, low wages and a variety of other work-related challenges on top of responsibilities outside of the workplace. Specifically, research related to the framework suggests that five workplace attributes are most predictive of whether workers refer to their organization's culture as "toxic" which include: disrespectful, non-inclusive, unethical, cutthroat and abusive. Without intentional efforts to negate these attributes and inspire more positive workplace experiences, the physical and emotional health of employees will continue to suffer.

Disrespectful Non-inclusive Unethical Abusive

SURGEON GENERAL'S FRAMEWORK FOR WORKPLACE MENTAL HEALTH & WELL-BEING

Dr. Murthy says that employers have an opportunity to turn workplaces into "engines of mental health and well-being" and that "a healthy workforce is the foundation for thriving organizations and healthier communities." There is a clear and distinct connection made between the health and success of an organization, and the health and wellbeing of its people. The framework released gives employers five key essentials upon which to build a culture.² It is founded in establishing support for common human needs, no matter the industry, job role or geographic location, which includes: protecting employees from harm, creating connection and community, supporting work-life harmony, ensuring employees matter at work and offering opportunity for growth.



Components

Creating a plan with all workers to enact these components can help reimagine workplaces as engines of well-being.

Protection from Harm

- · Prioritize workplace physical and psychological safety
- Enable adequate rest
- · Normalize and support mental health
- · Operationalize DEIA* norms, policies, and programs

Connection & Community

- · Create cultures of inclusion and belonging
- Cultivate trusted relationships
- Foster collaboration and teamwork

Work-Life Harmony

- · Provide more autonomy over how work is done
- · Make schedules as flexible and predictable as possible
- · Increase access to paid leave
- · Respect boundaries between work and non-work time

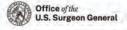
Mattering at Work

- · Provide a living wage
- Engage workers in workplace decisions
- · Build a culture of gratitude and recognition
- Connect individual work with organizational mission

Opportunity for Growth

- Offer quality training, education, and mentoring
- Foster clear, equitable pathways for career advancement
- · Ensure relevant, reciprocal feedback

*Diversity, Equity, Inclusion & Accessibility



The leader's behavior is contagious to everyone around them

83%

of employees believe it is the leader's responsibility to develop and shape culture

IT'S A LEADERSHIP CHALLENGE AND A LEADERSHIP OPPORTUNITY

If positive and supportive workplace culture is what is needed across workplaces in the U.S., leaders will need to engage. Currently, 83% of employees believe it is the leader's responsibility to develop and shape culture.⁴ In effect, the leader's behavior is influencing the behavior of everyone around them, for better or worse. This creates both a responsibility and unique opportunity for leaders to create and model a positive workplace environment that supports the health and wellbeing of employees.

Including the employee voice in workplace decision making helps connect them to the organization's mission and ensures benefit offerings are meeting their needs. Using clear, consistent and authentic communication while helping leaders enhance their skills in leading with empathy and compassion can help employers provide supportive work relationships. This can help build trust, reduce stress, and enhance engagement and innovation in the workplace.

These initiatives and behaviors are also well-aligned with enhancing diversity, equity and inclusion (DEI) efforts. Sixty-six percent of employers expect their organization's current commitment to DEI to increase over the next two years (by 2024).⁵

Culture enhancement as a benefits strategy: It's all connected

76%

of U.S. workers reported at least one symptom of a mental health condition.³

84%

of respondents said their workplace conditions had contributed to at least one mental health challenge.³

81%

of workers reported that they will be looking for workplaces that support mental health in the future.³

We know that:

- » symptoms related to mental health impact a significant percentage of the employee population and drive a growing percentage of healthcare spend.
- » workplace conditions and culture contribute to mental health challenges, and mental health support is a top priority that employees are looking for in employers.
- » even when employers invest in positive mental health resources, what often gets in the way of employees using and valuing those resources is related to cultural issues (communication, trust, leader behaviors, diversity, equity and inclusion, etc.).

The key to maximizing wellbeing, cost optimization and providing the benefits that employees want and value is leveraging a holistic framework connecting cultural initiatives to benefits planning.

"Work affects both our physical and mental well-being—in good ways and bad."

Dr. Vivek Murthy

U.S. Surgeon General



HOW GALLAGHER CAN HELP

When people thrive at work, they are more likely to feel physically and emotionally healthy, and to contribute positively to their workplace. At Gallagher, we approach organizational wellbeing holistically, understanding the impact of culture on employee behavior and, ultimately, business and people outcomes. The Gallagher Better WorksSM model helps us do just that by connecting your culture to employee behavior, which allows us to assess risk, and bring solutions that address your challenges and lead to positive outcomes.



¹Gallagher, "Benefits Strategy & Benchmarking Survey," March 2022

²www.hhs.gov. The U.S. Surgeon General's Framework for Workplace Mental Health & Well-being. (2022). Retrieved 2022, from https://www.hhs.gov/sites/default/files/workplace-mental-health-well-being.pdf
³U.S. Surgeon General. (2022). Workplace Mental Health & Well-being - current priorities of the U.S. Surgeon general. Retrieved 2022, from https://www.hhs.gov/sites/default/files/workplace-mental-health-well-being.pdf
³U.S. Surgeon General. (2022). Workplace Mental Health & Well-being - current priorities of the U.S. Surgeon general. Retrieved 2022, from https://www.hhs.gov/sites/default/files/workplace-mental-health-well-being.pdf
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*2022 Organizational Culture Research Report: WHAT'S CHANGED & HOW TO MOVE FORWARD. Quantum Workplace. (2022). Retrieved 2022, from https://www.quantumworkplace.com/organizational-culture-research-report

⁵Gallagher, "Q2 Workforce Trends Pulse Survey March," 2022



Contact your Gallagher Consultant today to learn more about how we can help you provide the physical and emotional wellbeing your people need to thrive in your organizational culture.

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