

[The workplace as a micro-environment for creating a well-being economy](#)

## Introducing the well-being economy

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Therein lies the rub. Unless a new set of incentives and priorities embedded in an integrated planning framework drives a new economic and societal vision of what we call well-being, the way we try to solve societal problems will be just that – opportunistic.

We started this edition of *Benefits Barometer* by pointing out that for the concept of a well-being economy to permeate a society, we need to first understand what a well-being economy is and how to measure it. More importantly, we need to understand the barriers to creating a well-being economy and how a country such as ours could address them.

In this section, we examine how we need to start using a very different lens through which to see this expansive potential.

At some level, employers have come to accept that it is in their interest to promote physical, financial and emotional well-being among their employees. The logic is fairly straightforward: keep employees functional and engaged, and this should reduce the kind of payroll wastage caused by employee absenteeism, presenteeism, stress and disengagement. There are any number of programmes attempting to provide integrated solutions in this space. But if we want to see real impact for broader South Africa, we need to take this well-being discussion much further.

We start by discussing just how effective these employee well-being programmes are. The conclusion is: not as much as they should (or could) be. What could we do to draw greater insights from them and make them far more effective?

Providing an employee with resources to manage their debt, health or vitality is only part of the equation. How the employer marries these opportunities with equal opportunities and incentives for advancement, skills development and wealth creation is just as important. Creating a working environment that is responsive to employees' emotional, social and physical needs suggests that employers need to give equal attention to how the corporate culture supports transformation, a broader social purpose and an opportunity to be heard and respected, no matter how different our perspective.

Each of these layers of employer and employee interaction weaves together to create that important meeting point: the well-being corporation. A more integrated picture could address the need for South African companies to be globally competitive while at the same time providing a much-needed stimulus to the social transformations so vital to the country's economic regeneration.

## The workplace as a catalytic change agent

Consider the multitude of historical issues South Africa continues to battle with in the areas of social cohesion, equality, transformation, diversity and inclusion, skills development and enterprise development – and, lately, meeting the economic challenges presented by the Fourth Industrial Revolution (see *Benefits Barometer 2017: 'Changing world of work'*). As a meeting point and melting pot of the complex tapestry of the South African social fabric, the workplace is the ideal setting for examining these issues and test-driving potential solutions.

This point has not been lost on policymakers. Bit by bit, they have tried, through a battery of policies, to use both carrots and sticks to nudge, cajole, even steamroller employers into addressing many of these societal barriers in the workplace.

But where has this gotten us? We may be more aware now than ever before that these are important issues. But on balance, the limited success of well-meaning programmes in addressing these issues has relegated many of them to backburner 'grudge' status in the strategic planning of many corporations.

As we suggested at the start, perhaps that failing is due to the fragmented way these problems have been approached. What we propose is a model for the well-being corporation (the employer) for South Africa.

We present this model in multiple layers, each one building on the next to create the foundation so essential for employee support. As we move towards higher levels in our model, the focus starts to shift to the role of the employer as a catalyst for change by connecting the workplace with the broader demands of a well-being economy.

This model is a significant departure from the traditional workplace regime. It requires gradual introduction, but not so modest that it becomes a simple case of aggregating all the elements with which employers need to grapple in corporate HR departments. By building from employee needs upwards, layer by layer, we are creating the scaffolding for the employer to solve for employee well-being, company efficiency and productivity challenges, and address policy relating to corporate responsibilities to both employees and the broader economy.

**Virtually all economic activity in the contemporary world is carried out not by individuals but by organisations that require a high degree of social cooperation: social capital and trust are fundamental to their success.**

*Francis Fukuyama*

Figure 3.1.1: The corporate well-being ecosystem



## Building our vision for the future

Consider how the story unfolds:

**Layer 1** introduces the idea that productivity in the workplace begins at an almost microscopic level: how conducive the work environment is to helping employees meet their most basic human needs. These include:

- > balancing their workplace and home life demands
- > dealing with short-term crises or attention-getters
- > managing interpersonal dynamics both at home and in the workplace
- > drawing support from the workplace to deal with life's little complexities

The aim is to help employers create pre-emptive solutions to these issues before they become productivity sappers.

*A nation can be maintained only if, between the State and the individual, there is interposed a whole series of secondary groups to attract them strongly in their sphere of action and drag them, into the torrent of social life... Occupational groups are suited to fill this role, and this is their destiny. (Emile Durkheim)<sup>1</sup>*

**Layer 2** refers to programmes employers put in place to address their employees' general well-being. These include:

- > employee benefits programmes that provide savings mechanisms to create social mobility, group risk schemes to provide social protection, and medical aid schemes and on-site primary care facilities to mitigate against health problems
- > employee assistance programmes to address other areas of emotional support
- > skills development and training programmes to ensure career advancement
- > transportation solutions
- > supplementary educational funding or on-site early childhood development centres
- > housing assistance

**Layer 3** begins to get to the very heart of a company's culture, role and identity in society. To what extent does the employer commit to such broader societal demands as:

- > transformation
- > equal pay for equal work
- > gender equality
- > diversity and inclusion
- > a continuous learning culture
- > skills development
- > broadly conceptualised work policies that allow for flexitime
- > leave policies that address a broad range of family needs, such as long-term care of a family member, grief and resolving all the complex issues around death, and child-rearing and mental stress

**Layer 4** starts to forge connecting links between the workplace and our broader societal commitments, where policymakers have already started introducing either incentives or penalties to encourage our participation. These include:

- > the BEE scorecard
- > enterprise development
- > procurement and supply-chain development
- > responses to the appropriate SETA to ensure that training materials for the future are developed and understood effectively
- > consumer education and retirement training

#### **Jargon buster**

BEE scorecard: black economic empowerment SETA: Skills Education Training Authority

**Layer 5** is where the whole aggregated picture is integrated into a company's short-term and long-term strategic plan. Leadership is the pivotal point for success. Through effective leadership, the corporate entity will facilitate and achieve much-needed buy-in from shareholders, stakeholders and policymakers.

By framing our challenge for the well-being corporation in this way, we believe we can create a roadmap for achieving the following:

- > A more cost-effective way of integrating the human capital development strategies of an employer with its strategic business vision
- > A framework for measuring the impact of government policies on both the social transformations government requires and the value-add that businesses require
- > A framework for holistically measuring the value-add of employee well-being to corporate productivity

This is our well-being vision for the future.

As we cover elements of each of these layers in the sections that follow, we hope to place a spotlight on areas where either we haven't fleshed out the story far enough or where we simply haven't gained traction. We also look at what we've possibly been doing wrong and what we could most definitely be doing better.

We conclude the next article with a case study on skills development that shows the commercial benefits of getting these linkages right.

## References

1 Durkheim, E. 1997. *The Division of Labor in Society*, The Free Press, New York (book).

