



WORKPLACE WELL-BEING

A CORE ORGANIZATIONAL OUTCOME

Workplace stress is reaching a breaking point. More than half of U.S. workers share that job insecurity and constant change are driving significant stress, with nearly one in two reporting that their work environment is negatively affecting their mental health. They're exhausted, disengaged, and less productive—all signs of burnout that spiral into declining health and performance. New research shows that 66% of American employees are actively experiencing burnout, with the leading causes being work-life imbalance, heavy workloads, and long hours. A slow-burning crisis, burnout can contaminate the rest of an employee's experience and increase turnover rates, even for those who are otherwise satisfied with their work.

As organizations absorb waves of disruption, well-being has become a leading indicator of resilience. The cost of neglecting it ripples outward through absenteeism, healthcare expenses, and weakened loyalty. Conversely, when employees experience higher well-being, they show greater engagement, creativity, and retention.

Once considered a perk, well-being is now a core business capability and a prerequisite for sustained performance.

WELL-BEING PAYS OFF: STRATEGIC DRIVER OF PERFORMANCE

People drive performance—and performance craters when people aren't well. But this isn't a revelation. Decades of research show that stress undermines both individual health and organizational output, leading to lower performance, higher turnover, stalled innovation, and growing friction across teams.

GLOBAL CHALLENGE

Korn Ferry's 2022–2024 Listen Norm Database shows a consistent global pattern: regional differences reveal meaningful cultural and contextual nuances.

Asia/Pacific

Belonging: 81% **Energy:** 73%
Above global averages, reflecting strong social cohesion and relatively resilient work rhythms.

Europe

Belonging: 76% **Energy:** 72%
Slightly lower scores suggest ongoing pressure from workload, restructuring, and changing expectations.

MENA

Belonging: 80% **Energy:** 74%
Indicators of effective support systems and work conditions.

North America

Belonging: 77% **Energy:** 72%
Generally stable experiences but room to strengthen sustained energy.

Korn Ferry’s research found that three essentials power high performance:

- **Engagement** fuels the motivation to deliver.
- **Enablement** creates the conditions to deliver.
- **Well-being** provides the energy to keep delivering over time.

If any element is under pressure, performance eventually buckles.

Our Engaged Performance model brings this to life. The four levers—Getting Work Done, Focus & Direction, Connections & Support, and Building Capability—all contribute meaningfully to well-being. And well-being, in turn, becomes a reliable predictor of retention, productivity, efficiency, and quality—the outcomes executives watch relentlessly. Strengthen the ecosystem, and the results follow.

The ROI of Well-being

The business case for well-being is no longer up for debate. Research shows that investing in employee health, mental resilience, and supportive work systems delivers measurable financial returns—from lower healthcare costs and absenteeism to stronger engagement and retention. Across high-quality studies, the average return-on-investment ranges between 2:1 and 6:1, with greater returns from mature, comprehensive, and well-integrated programs.

Program	Finding	ROI
Comprehensive Wellness	Reduced medical costs + absenteeism	<u>\$3.27 and \$2.73 ROI per \$1 invested</u>
Worker’s Compensation & Injury Care Unit	Reduced lost days 80% and modified-duty days 64%	<u>\$1.5M annual savings; 50% lower premiums</u>
Health Promotion	Increased productivity	<u>6.19:1 ROI</u>
Employee Assistance Programs (EAPs)	Reduced absenteeism and improved productivity	<u>\$3.25 ROI per \$1 invested</u>

Financial metrics show that well-being is a performance lever, a risk mitigator, and a cost-control strategy. Like intent to stay, well-being is a predictive signal. When leaders ask the right questions, they receive insight into retention risk, productivity, and organizational resilience.

WHAT IS WORKPLACE WELL-BEING?

Organizations have long experimented with wellness perks, but those perks rarely deliver lasting impact on their own. Workplace well-being is multifaceted and encompasses an employee’s psychological, physical, and emotional experiences at work. It is not a single dimension, but a composite of how people feel, function, and connect.

True well-being is broader than “wellness.” Research shows it depends not on perks but on culture—built on mental & emotional support, purpose, financial stability, and meaningful connections. These factors form the foundation of sustainable well-being, fueling optimism, resilience, and psychological safety.

Surveys offer a powerful lens into this reality, cutting through policies and performance metrics to reveal the heart of employees’ lived experience. With over 50 years of listening to employees worldwide, we know that three outcomes best quantify well-being:

- **Energy:** sustaining the level needed to work well
- **Belonging:** feeling integrated and valued in the organization
- **Enjoyment:** deriving satisfaction and positive effects from work

These outcomes overlap with drivers of intent to stay. Employees who feel supported, purposeful, and connected are not only healthier, but they are also more likely to commit to the organization long-term. Well-being, in other words, is both a mirror of organizational health and a compass for retention risk.

95%

of engaged & enabled employees report **favorable well-being**

vs. **42%**

who were neither engaged nor enabled

Employees intending to stay **10+ years** report

>90%

favorable well-being

vs. **35%**

among those planning to leave within six months

THE WELL-BEING ECOSYSTEM

Our refreshed Korn Ferry Listen framework pinpoints the variables that most strongly predict employees' well-being: energy, belonging, and enjoyment. We found that well-being is systemic: variance spreads almost evenly across the four core levers—Getting Work Done, Focus & Direction, Connections & Support, and Building Capability. While no single factor dominates, several consistently stand out.

The most powerful drivers include authenticity and safety, job security, and a sustainable approach to work. Meaning and pride matter too: employees inspired by the mission, aligned with values, and proud of their organization report significantly higher well-being. Growth and fairness reinforce this effect—clear career paths, development opportunities, and equitable pay signal stability and strengthen commitment.

Research based on the Job Demands-Resources (JD-R) and Conservation of Resources (COR) frameworks shows that well-being depends on balance. Job demands such as workload, change pace, or ambiguity create strain; resources such as autonomy, support, and clarity buffer that strain and enable growth. Chronic stress depletes the valued resources people most protect—their health, time, and sense of purpose. Fairness and stability replenish them, creating resilience “gain spirals.”

Global evidence echoes this pattern. In European workplaces, well-being scores are most strongly predicted by role clarity and manageable workloads. KF Listen 2025 data show that in the Middle East, fairness and inclusion emerge as the top drivers of engagement and retention. And meta-analyses in the U.S. have found that flexibility in schedule, location, or methods consistently reduces stress by 20-56% and improves job satisfaction by up to 65%.

When technology, transformation, and always-on expectations collide, overload erodes capacity and health. That risk will only grow as AI-driven change accelerates work pace and cognitive load. Organizations that endure will be those that treat well-being not as a program, but as infrastructure—a balanced ecosystem of demands and resources that sustains human capacity amid constant disruption.

Top Items for Well-being



Authenticity, Job Security, and a Sustainable Approach to Work
These items boost engagement and protect health.

Meaning, Pride, Growth, and Fairness
Organizational variables that sustain well-being.



A SUCCESS PROFILE FOR WELL-BEING

Leaders don't need another checklist of perks. Instead, they need a system that strengthens the foundations of well-being by reducing chronic demands, expanding critical resources, and measuring what matters. Korn Ferry's Listen analysis shows how organizations can create conditions where people thrive—and choose to stay.

Measurement is the first step—what gets measured gets managed. Organizations can create the visibility needed to act with precision by:

- Tracking Employee Experience quarterly.
- Including key drivers like authenticity, security, workload, mission, and fairness.
- Connecting results to engagement and retention.

Precision matters because interventions only work when they target the right bottlenecks that drain well-being—heavy workloads, rapid change, scarce resources. Tackling these issues—especially for frontline managers, who report the highest stress and lowest well-being—will boost well-being and offer high-impact gains.

Culture determines whether these resources take root. Leaders who communicate transparently, act with fairness, and connect work to mission build trust and confidence. Those who normalize seeking help, model openness, and design for equity transform well-being from a program into a cultural norm.

As organizations navigate AI transformations and shifting workplaces, well-being becomes the infrastructure that sustains performance. The most successful leaders do more than manage workloads—they engineer environments that protect human capacity in an age of acceleration.

FRONTLINE MANAGERS

Frontline managers often sit at the most precarious intersection of demands and resources.

Global data show they report the highest stress and lowest well-being, balancing team leadership with operational load and organizational change.

Targeting these managers with workload relief, greater autonomy, and leadership coaching delivers one of the highest returns for both well-being and retention.

PRACTICAL ACTIONS FOR LEADERS

Well-being doesn't improve through isolated programs. Instead, it strengthens when leaders act across two levels:

Strategic (Organization-wide)

1. **Stabilize the system.** Set humane workloads, pace changes thoughtfully, and build a foundation of job security.
2. **Clarify the game.** Align roles and goals with mission and values so people understand how their work contributes to the organization's purpose.
3. **Invest in growth and mobility.** Make career paths visible, link development to business priorities, and open internal opportunities for movement.
4. **Prioritize prevention.** Design benefits that focus on early support—financial wellness, accessible mental-health care, and recovery time.
5. **Measure continuously.** Use validated survey frameworks (e.g., Energy, Belonging, Enjoyment) and connect well-being outcomes to results such as retention, absence, and healthcare costs.

Team (Day-to-day Leadership)

1. **Humanize the culture.** Signal psychological safety, respect, and fairness in everyday interactions.
2. **Build leadership micro-skills.** Strengthen habits that drive well-being—autonomy, support, recognition, and transparent communication—through brief learning bursts and coaching.
3. **Flex with care.** Offer schedule and location flexibility with guardrails that prevent after-hours creep and protect recovery time.
4. **Tune work design.** Audit workload, change pace, and resource balance regularly to keep the environment sustainable.

When strategic and local actions align, well-being becomes a living part of how performance is sustained.

WELL-BEING: FROM PROGRAM TO PRIORITY

Well-being starts with prioritization from the top, but it succeeds only when embedded across systems. Leaders who measure consistently, act with precision, build trust, and equip their teams with supportive practices not only protect employees' health but also strengthen engagement, retention, and performance.

If performance is the destination, well-being is the engine. Korn Ferry Listen is the vehicle that moves you from A to B.

Korn Ferry Listen is an intelligent, integrated employee experience solution that helps organizations measure, understand, and act on what drives well-being and performance. By tracking outcomes such as Energy, Belonging, and Enjoyment — and linking them to engagement, enablement, and intent to stay—organizations gain a 360° view of the employee experience and eliminate blind spots.

Built on decades of behavioral science and a robust employee sentiment database, Korn Ferry Listen transforms well-being from an abstract ideal into a measurable business driver. It connects people data to business results—the foundations of a thriving future workforce.

AUTHORS

Bryn Chighizola

Director, Organizational Research
Korn Ferry Institute

Mark Royal

Senior Client Partner
Korn Ferry

Lora Bishop

Research Manager
Korn Ferry Institute

Ricky Michaud

Associate Director, Data & Analytics
Korn Ferry

Matthew Magill

Organizational IP Scientist
Korn Ferry Institute

REFERENCES

- American Psychological Association (2025). Work in America Survey.
<https://www.apa.org/pubs/reports/work-in-america/2025/2025-full-report.pdf>
- Bakker, A. B., Hakanen, J. J., Demerouti, E., Xanthopoulou, D. (2007). Job resources boost work engagement, particularly when job demands are high. *Journal of Educational Psychology*, 99(2), 274-284
- Baicker, K., Cutler, D., & Song, Z. (2010) Workplace wellness programs can generate savings. *Health Aff (Millwood)*, 29(2), 304-311.
- Baloglu, S., Busser, J., & Cain, L. (2018). Impact of experience on emotional well-being and loyalty. *Journal of Hospitality Marketing & Management*, 28(4), 427-445.
- Beehr, T. A., & Newman, J. E. (1978). Job stress, employee health, and organizational effectiveness: A facet analysis, model, and literature review. *Personnel Psychology*, 31(4), 665-699.
- Berry, L. L., Mirabito, A. M., & Baun, W. B. (2010). "What's the Hard Return on Employee Wellness Programs?", *Harvard Business Review*.
- Bryan, B. T., et al. (2023). Loneliness in the workplace: a mixed-method systematic review and meta-analysis. *Occupational Medicine*, 73(9), 557-567.
- Cantante-Rodrigues, F., Lopes, S., Sabino, A., et al. (2021). The Association Between Resilience and Performance: the Mediating Role of Workers' Well-being. *Psychological Studies*, 66, 36-48.
- Cooper, C. & Dewe, P. (2008). Well-being—absenteeism, presenteeism, costs and challenges. *Occupational Medicine*, 58(8), 522-524.
- Donaldson, S. I., van Zyl, L. E., & Donaldson, S. I. (2022). PERMA+ 4: A framework for work-related wellbeing, performance and positive organizational psychology 2.0. *Frontiers in psychology*, 12, 817244.

Guharajan, N. (2018). Health management at unilever – return on investment. *Occupational and Environmental Medicine*, 75(2).

Hammami, M., et. al. (2012) Evaluation of the Relationship Between Individual Well-Being and Future Health Care Utilization and Cost. *Population Health Management*, 15(6), 325–330.

Hobfoll, S. (2001). The Influence of Culture, Community, and the Nested-Self in the Stress Process: Advancing Conservation of Resources Theory. *Applied Psychology*, 50(3), 337-421.

Huhtala H. & Parzefall, M. J. (2007). A Review of Employee Well-Being and Innovativeness: An Opportunity for a Mutual Benefit. *Creativity and Innovation Management*, 16(3), 299-306.

Karmali, M. (2025). Over half of American employees have used AI to take workplace training, according to new data. Moodle.

Mattke, S., et al. (2013). Workplace Wellness Programs Study. RAND Corporation.

Pandey, A., Maheshwari, M., & Malik, N. (2025). A systematic literature review on employee well-being: Mapping multi-level antecedents, moderators, mediators and future research agenda. *Acta Psychologica*, 258, 105080.

Ray, T. K. & Pana-Cryan, R. (2021). Work Flexibility and Work-Related Well-Being. *International Journal of Environmental Health Research*, 18(6).

Rothhausen, T. J., Henderson, K. E., Arnold, J. K., & Malshe, A. (2015) Should I Stay or Should I Go? Identity and Well-Being in Sensemaking About Retention and Turnover. *Journal of Management*, 43(7), 2357-2385.

Schuck, B. & Reio, Jr., T. H. (2013) Employee Engagement and Well-Being: A Moderation Model and Implications for Practice. *Journal of Leadership & Organizational Studies*, 21(1), 43-58.

Zadow, A., Dollard, M. F., Parker, L., & Storey, K. (2019). Psychosocial safety climate: a review of the evidence. *Psychosocial Safety Climate: A new work stress theory*, 31-75.

Zhao, D. (2025). Burnout is on the rise. Glassdoor.

About Korn Ferry

Korn Ferry is a global consulting firm that powers performance. We unlock the potential in your people and unleash transformation across your business—synchronizing strategy, operations, and talent to accelerate performance, fuel growth, and inspire a legacy of change. That’s why the world’s most forward-thinking companies across every major industry turn to us—for a shared commitment to lasting impact and the bold ambition to *Be More Than*.