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The important role of leaders in advancing human sustainability

Deloitte's third Well-being at Work survey explores how leaders can make progress on human sustainability transformation and hold their organizations accountable



Organizations have faced increasing workplace challenges over the past few years, including rampant worker burnout and declining mental health, workplace violence, extreme weather events, and more. For many organizations, equity commitments are often the only means of tracking progress on these issues. Organizations should refocus around the idea of *human sustainability*: the degree to which an organization creates value for people as human beings, leaving them with greater health and well-being, stronger skills and greater employability, good jobs, opportunities for advancement, progress toward equity, increased belonging, and heightened connection to purpose.

For our third annual Workplace Well-being report, Deloitte collaborated with an independent research firm Workplace Intelligence to better understand current perspectives on human sustainability. We surveyed 3,150 C-suite executives, managers, and workers across four countries to explore the challenges and pressures leaders are facing in shifting to a human sustainability focus, as well as the potential human and business impacts of this shift.

Our primary findings suggest that leaders can play a key role in prioritizing and advancing a human sustainability agenda, particularly when it comes to measuring outcomes and holding their organizations accountable for progress. But there are gaps to bridge, and making the shift will include a comprehensive effort to add value for the people an organization interacts with across multiple dimensions. But if our research is any indication, doing well by workers and the world can offer long-term benefits for both people and organizations.

What's driving the need for human sustainability?

Leaders may wonder whether a focus on human sustainability is what's best for their business. Facing growing stakeholder pressures, dwindling worker health, and other workforce-related risks, our survey found that shifting from a mindset that centers on extracting value from people toward an approach that focuses on helping humans thrive is a leading course of action. In fact, more than 8 out of 10 executives surveyed say a stronger commitment to prioritizing a positive human impact would increase their company's ability to attract new talent (82%), appeal to customers and clients (81%), and profitability (81%). Our research revealed several key factors driving the need for an organizational focus on human sustainability efforts.

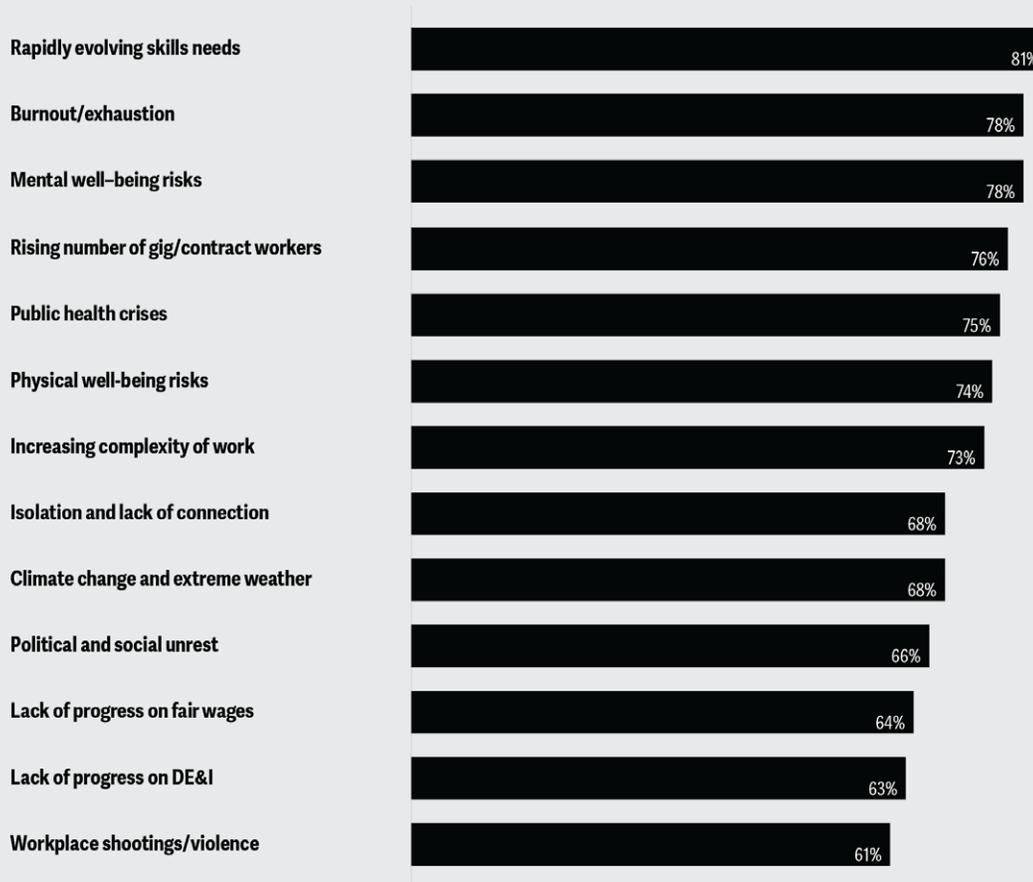
Current trends have the potential to leave workers worse off

Only 43% of workers say their organizations have left them better off than when they started. And current trends could leave workers even worse off. We surveyed executives about the trends that are affecting today's workers in particular (figure 1). Most leaders say their workforce has already been affected by these developments or will be in the future.

Figure 1

Current trends impacting today's workforce

% of executives who say their workers have been affected by these trends or will be affected in the future



Source: Deloitte 2024 Well-being at Work survey.

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The shift to gig or other types of independent work could help people enjoy a better work-life balance, but it also typically doesn't have benefits, such as insurance and paid time off.

Workforce well-being continues to stall

For the third year in a row, some people reported that they're still struggling with their well-being. Just 56% of workers feel their overall well-being is "excellent" or "good." In fact, workforce well-being remains relatively unchanged since we first began surveying workers in 2022, highlighting that it appears that

most organizations haven't yet figured out a way to move the needle on this.

Leaders aren't immune to well-being challenges, either. At least four out of 10 workers, managers, and executives say they "always" or "often" feel exhausted or stressed. The situation is so bad that 59% of workers, 66% of managers, and 71% of the C-suite say they'd seriously consider taking a job with another company that would support their well-being.

Worker engagement, loyalty, and trust are at risk

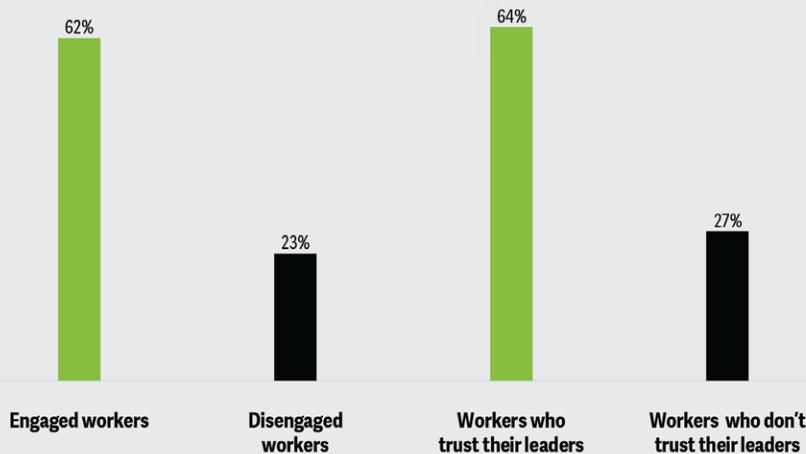
Our research also reveals that there's a clear economic and talent imperative for a human sustainability focus. Engaged workers and those who said they trust their leaders were

over 2.5 times more likely to say their company is advancing human sustainability, compared to disengaged workers and those who don't trust their leadership (figure 2).

Figure 2

Engagement and trust are linked to human sustainability efforts

% of workers who say their company is advancing human sustainability



Source: Deloitte 2024 Well-being at Work survey.

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In addition, around seven out of 10 workers say if their organization increased its commitment to human sustainability, this would not only improve their overall experience at work (72%) and increase their engagement and job satisfaction (71%), but that it would lead to greater productivity and performance (70%), desire to stay with their company long-term (70%), and trust in their company's

leadership (69%). Notably, the C-suite admits that a focus on human sustainability would impact their own level of interest in a prospective employer as well. Eight out of 10 leaders say they'd be more likely to take a job with a company that is advancing human sustainability, and 61% would accept a pay cut to do so.

Bridging the perception gap: Leaders may not have an accurate picture of worker realities

In our survey, most executives (93%) and workers (88%) agree that the purpose of a company should be to create value not just for shareholders, but for human beings and society as well. Over seven in 10 C-suite leaders believe that if their company isn't advancing human sustainability, then their leadership should change.

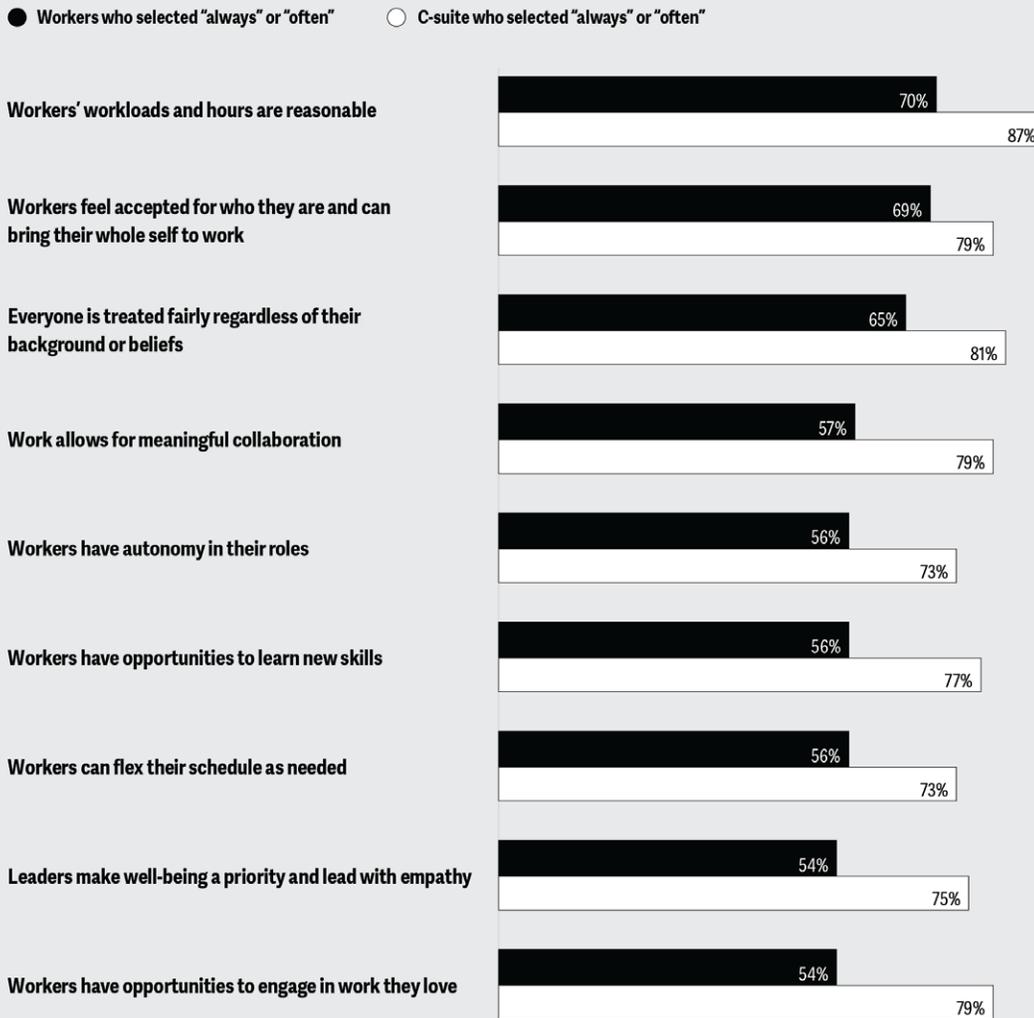
But our research reveals significant disconnects between workers and leaders about how their organizations and people are actually progressing in relation to human sustainability. In fact, leaders often

seem to be in the dark about worker realities. To move a human sustainability agenda forward, identifying and bridging the gaps between leader perception and worker experience is a critical first step.

One of the most important reasons leaders should be looking to prioritize human sustainability is because work seems to continue to be a negative rather than a positive force in people's lives—yet many leaders are failing to recognize this (figure 3).

Figure 3

The modern work experience doesn't promote human sustainability. But C-suite leaders aren't seeing it.



Source: Deloitte 2024 Well-being at Work survey.

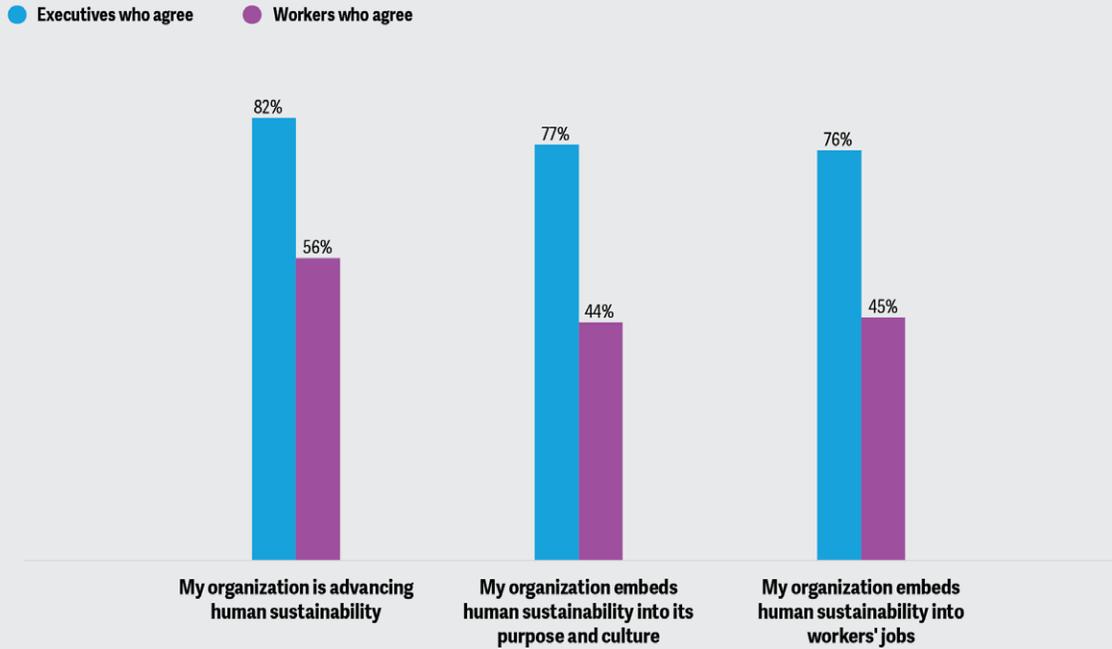
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Our research found that around 90% of executives believe that working for their company has a positive effect on worker well-being, skills development, career advancement, inclusion and belonging, and their sense of purpose and meaning. However, just 60% (or fewer) of workers agree. Leaders were also far more likely than workers to feel their company has already embraced human

sustainability (figure 4). Just 56% of workers believe their company is advancing human sustainability, versus 82% of the C-suite. Less than half of workers feel their employer is embedding the tenets of human sustainability into people's jobs (45%) and the workplace culture (44%), compared to over three-quarters of the C-suite.

Figure 4

Executives say they've already embraced human sustainability. Workers disagree.



Source: Deloitte 2024 Well-being at Work survey.

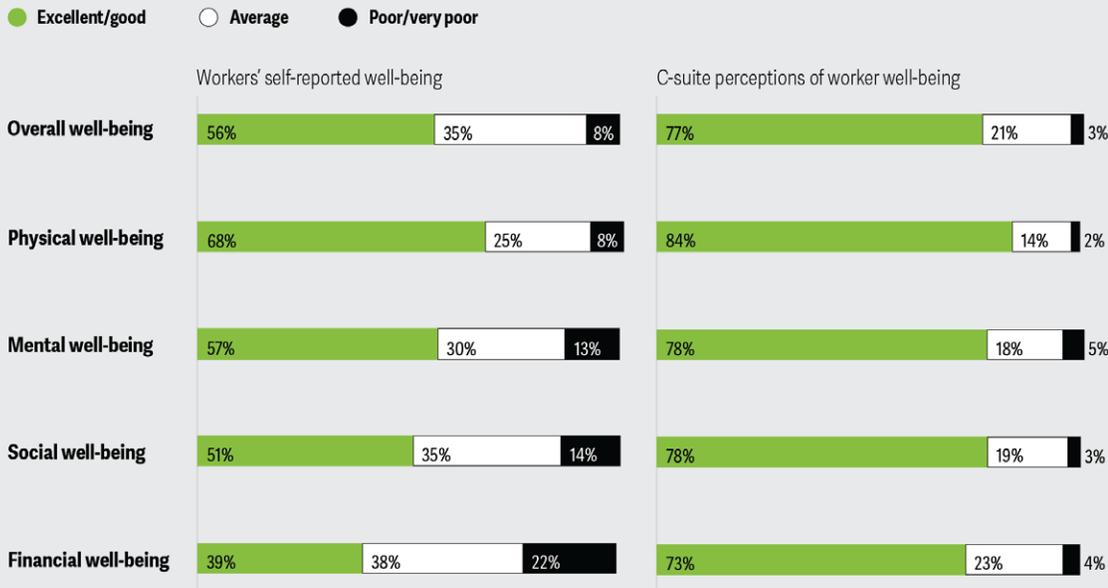
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And despite many reporting that they are struggling with their own well-being, our research revealed that leaders are also still mostly in the dark when it comes to their workforce's health. For example, only around one out of three workers say that their physical (34%), mental (32%), financial (35%), and social (31%) well-being improved last year. However, at least seven out of 10

executives believe these well-being dimensions improved for their people. Around three out of four leaders would characterize their workers' well-being as "excellent" or "good" (figure 5). Yet across all dimensions, workers were far less likely to describe their well-being in this way.

Figure 5

**Three out of four executives describe their workforce’s well-being as “excellent” or “good.”
But workers are having a different experience.**



Source: Deloitte 2024 Well-being at Work survey.

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For executives, these disconnects should signal time for a change. It’s important for leaders to develop a more accurate picture of how workers are really doing if they want to move human sustainability efforts forward. Leaders should involve workers to help identify their needs and values, how they perceive their current experience at work, and how human outcomes can be pursued together. Furthermore, they should engage not only their own team members,

but also future workers, community members, and other members of the organization’s human ecosystem.

Worker surveys, forums, interviews, or focus groups, are all good options for helping leaders understand the big picture around how their workers are faring. Otherwise, absent any impetus for change, organizations may elect not to take any action around advancing human sustainability.

How leaders can unlock measurement, accountability, and worker empowerment in a human sustainability agenda

Once organizations have a clear understanding of how human sustainability is actually playing out in their workforce and what gaps need to be addressed, leaders are in a position to drive progress on human sustainability outcomes. Embracing human sustainability can create a beneficial cycle where improving human outcomes enhances organizational outcomes and vice versa. But to achieve the potential benefits for both business and people, leaders should be proactive in taking steps to ensure that human sustainability is prioritized and valued at the highest levels. Leaders should consider

the following steps as they work to shift organizations to a human sustainability focus.

Put the right metrics in place

Over half (51%) of the leaders we surveyed say their company is subject to ESG reporting regulations. Others have adopted ESG reporting frameworks, for example the Global Reporting Initiative (44%). A small number (26%) say their company aligns their goals and reporting with the Sustainable Development Goals.

In our [2024 Human Capital Trend](#) on human sustainability, we described the importance of focusing on metrics that actually measure human outcomes, including:

- Skills development metrics that can indicate the value an organization is providing to its workers, extended workers, and future workers
- Well-being metrics that cover emotional, mental, physical, social, and financial well-being
- Purpose metrics that measure the degree to which people feel their lives have meaning and they are making a positive difference in the world and their work
- Diversity, equity and inclusion metrics that measure the extent to which workers experience equity and belonging as a result of diversity, inclusion, and addressing the root causes of inequity in the workplace
- Metrics around career stability and advancement that can indicate how well an organization fosters economic mobility and advancement for workers
- Societal impact metrics that measure an organization's contribution to communities and the world at large

In our latest study, we asked the C-suite whether they're using (or plan to adopt) any of these metrics (figure 6). While fewer than two out of three executives say their company currently

uses human sustainability metrics, around one-quarter say they plan to put these metrics in place within the next one-to-two years.

Make public commitments to improve human sustainability

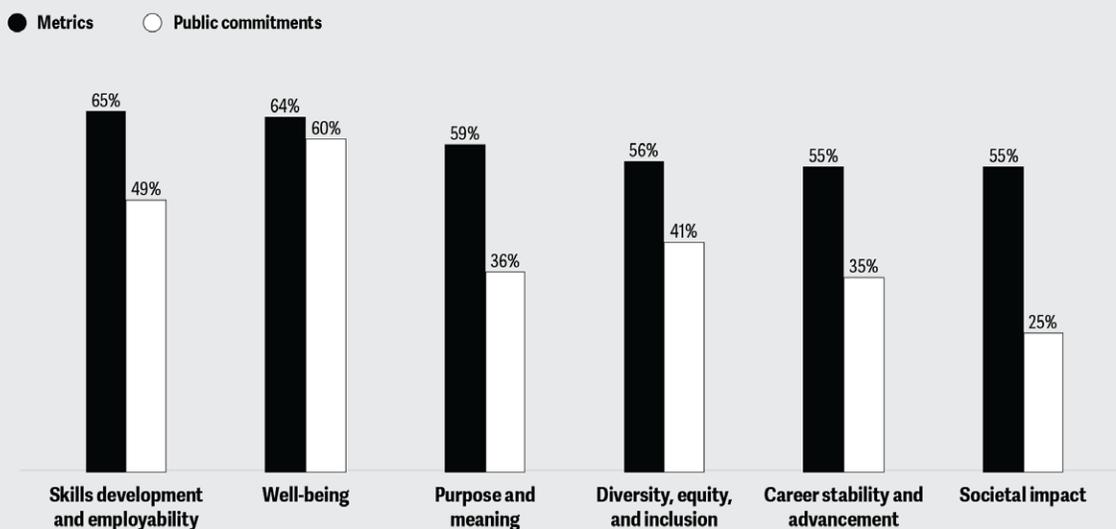
Measuring human impact is just the first step. Organizations also should set goals around human outcomes to know whether they're making progress. Ideally these goals should be transparent and tracked over time. Not only does this help with accountability, but it also ensures that all relevant stakeholders have visibility into the organization's actions. In our survey, most of the C-suite—and around 80% of CEOs specifically—say they're receiving at least “a little” pressure to make public commitments to improve human sustainability—from workers (82%), customers (78%), investors (78%), partners (77%), and board members (77%). But just 39% of workers say they have a clear picture of how well their company is advancing human sustainability.

It's encouraging that 82% of executives agree that companies should be required to publicly report their human sustainability metrics. Moreover, around three out of four C-suite leaders agree that human sustainability is an enterprise risk that should be measured and monitored (73%) and discussed at the board level (75%).

However, some areas of human sustainability have largely been ignored when it comes to public goal setting (figure 6). In fact, 81% of the C-suite admit they're not doing enough when it comes to their commitments.

Figure 6

While some organizations are measuring human sustainability, public commitments are lagging



Source: Deloitte 2024 Well-being at Work survey.

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Leaders say there are several reasons why their companies aren't setting more targets around human sustainability issues. Around a third (32%) feel that the goals they could realistically accomplish are trivial and they're embarrassed to make public commitments around them. Another 30% are awaiting government guidance or frameworks to guide them, and 22% don't want their company's reputation to suffer if they don't achieve these goals.

Given the high level of stakeholder pressure, executives should take steps to overcome these obstacles, including addressing concerns about risk and reputation. It's encouraging that we seem to be seeing some level of commitment around worker well-being, but human sustainability is multi-faceted and it's important that companies are focused on advancing *all* of its dimensions.

Tie compensation and bonuses to achieving human sustainability metrics

Seven out of 10 workers say their company's executives, including the CEO, should take more responsibility for advancing human sustainability. An even higher percentage of the C-suite (82%) agree they need to be more accountable. In fact, 76% would like to be more responsible and involved in their company's initiatives related to human issues.

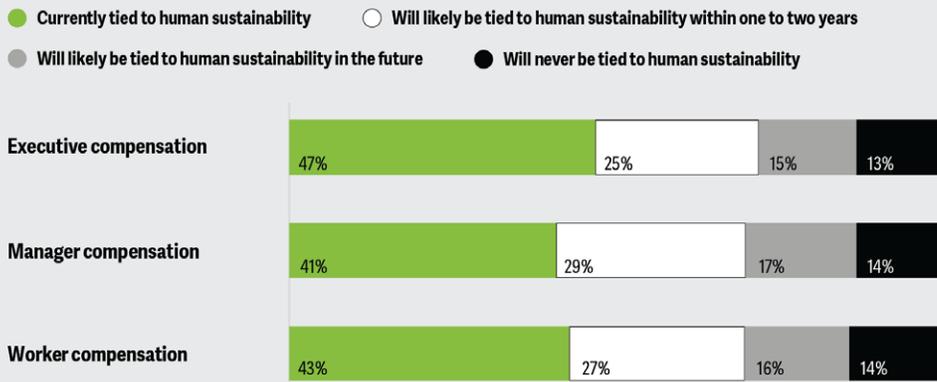
One way to increase executive accountability is to align compensation with goals tied to human outcomes. But it's not just executives who stand to benefit from this approach. One of the more surprising findings from our survey was that workers at all levels of the organization would like their pay to be tied to their contributions toward a greater human impact.

In fact, 88% of the C-suite, 83% of managers, and 76% of workers say they'd prefer for at least 25% of their compensation to be tied to human sustainability metrics. Remarkably, nearly half (47%) of the C-suite, 28% of managers, and 21% of workers would like at least 75% of their compensation to be linked to these metrics.

For most workers, this preference may soon become a reality. At least seven out of 10 C-suite leaders say their company ties compensation for executives (72%), managers (70%), and workers (70%) to human sustainability metrics or will do so within the next one-to-two years (figure 7). Around 14% say it's likely their organization will link compensation to these metrics at some point in the future.

Figure 7

Most workers, managers, and executives will likely eventually have their compensation linked to human sustainability metrics



Source: Deloitte 2024 Well-being at Work survey.

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Go beyond programs and benefits to address worker issues

Perhaps the most important step leaders can take to advance human sustainability is to address some of the challenges their own workers are facing. In our survey, we asked workers to pinpoint the ways in which their organization could improve their experience at work (figure 8). Respondents highlighted a number of suggestions, from offering better well-being benefits and learning benefits, to

providing more career guidance and minimizing the amount of repetitive or mundane work that they do. However, over half of workers (52%) say simply paying them fairly would go a long way toward improving their well-being. While this finding may come as no surprise, organizations should take care not to undervalue the importance of pay or attempt to address human outcomes only via bolt-on programs or worker benefits.

Figure 8

The top ways organizations can support human sustainability, according to workers

Well-being	Pay workers fairly (52%)
	Offer more or better well-being benefits (37%)
	Offer more flexibility (37%)
Skills development and future employability	Give workers time during the workday to improve skills (42%)
	Provide guidance on what skills to learn (37%)
	Offer more or better learning benefits (35%)
Career stability and advancement opportunities	Provide guidance on how to advance their career within their current department (39%) or other departments (36%)
	Offer mentoring or career coaching (29%)
	Assist with career mapping (25%)
Feelings of equity, inclusion, and belonging	Implement policies that support equity (26%)
	Offer programs for underrepresented employee groups (21%)
	Address cultural issues affecting belonging and inclusion (21%)
Sense of purpose and meaning	Minimize repetitive/mundane work (30%)
	Connect people's work with the organizational mission (27%)
	Ensure work is aligned with human sustainability (26%)
	Communicate about company-wide human sustainability initiatives (26%)

Source: Deloitte 2024 Well-being at Work survey.

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Empower workers at all levels of the organization

Despite the overall agreement from respondents on the importance of human sustainability, many workers and leaders are struggling to take action. In fact, at organizations with human-centered commitments in place, just 30% of workers, 21% of managers, and 58% of executives say they feel “completely” empowered and capable of helping their company achieve these goals.

The majority of respondents—86% of workers, 94% of managers, and 95% of the C-suite—say they could use help

to advance human sustainability. The top things that respondents said would help people include the following:

- A training program focused on human sustainability
- Seeing examples of how others are advancing human sustainability
- Having a clear window into their company's metrics around human sustainability
- Support from external subject matter experts (e.g., consultants)
- Support from internal specialists (e.g., sustainability or well-being teams)

Human sustainability: Creating value for both people and business

Prioritizing human sustainability can help future-proof organizations. It can increase their ability to attract and retain a diverse workforce, help them develop and engage workers, and enable them to become more rewarding and productive places to work. A focus on human sustainability can also protect companies and workers against a variety of risks, and it tends to increase an organization's appeal to consumers and investors.

However, to help achieve these outcomes, companies should expand from extractive, transactional thinking about workers

and have a focus on creating greater value for them and all stakeholders within the broader human ecosystem. Businesses also should consider using metrics focused on human outcomes, making public commitments around these metrics, and aligning compensation with these outcomes.

Workers appear to be ready for a new approach. Now, it's up to the C-suite to operationalize human sustainability and help ensure their organization is taking action to help humans thrive.

Methodology

Research findings are based on a survey conducted by Deloitte and Workplace Intelligence in four countries: the United States (57% of respondents), the United Kingdom (14%), Canada (14%), and Australia (14%).

The survey was fielded between February 26 and March 8, 2024, and it targeted executives, managers, and workers who were working full-time and were between 18 and 76 years of age. In

total, 3,150 people were surveyed: 1,050 C-suite leaders, 1,050 managers, and 1,050 workers.

Respondents were invited to participate via email and were provided with a small monetary incentive for doing so. All respondents passed a double opt-in process and completed an average of 300 profiling data points prior to taking part in this survey.



Authors

Jen Fisher

Retired managing director | Deloitte Services LP
jenniferfisher@deloitte.com

Paul H. Silverglate

Partner | US Executive Accelerators | Deloitte & Touche LLP
psilverglate@deloitte.com
+1 408 704 2475

Dr. Jay Bhatt

Managing director, Center for Health Solutions and
Health Equity Institute | Deloitte Services LP
jaybhatt@deloitte.com
+1 312 486 367

Sue Cantrell

Senior manager | Vice president – Products, Workforce
Strategies | Deloitte Consulting LLP
scantrell@deloitte.com
+1 503 222 1341

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