



2016 Workplace Trends

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QUALITY OF LIFE SERVICES

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2016 Trends Link to Sodexo's Quality of Life Dimensions

Health & Well-Being – Promoting a healthy lifestyle through a well-balanced diet and physical activity.

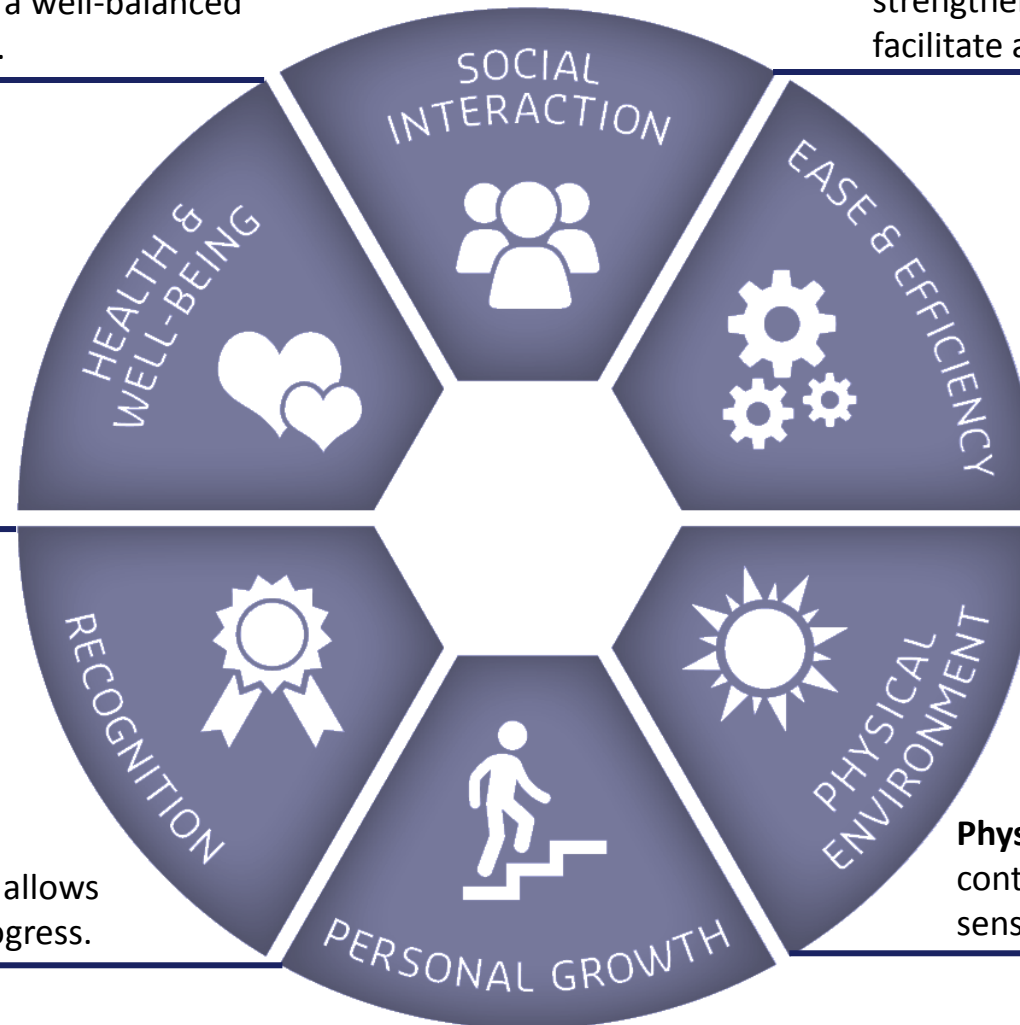
Social Interaction – Factors that strengthen bonds among individuals and facilitate access to activities or events.

Recognition – Factors that contribute to an individual feeling truly valued and appreciated.

Ease & Efficiency – Ability to devote your full attention to the task at hand and carry it out with ease, efficiency and minimal interruption.







Personal Growth – Everything that allows an individual to learn and make progress.

Physical Environment – Factors that contribute to a person's comfort and sense of well-being.



- **Leading beyond the “four walls” of the organization**
- **Addressing employee needs holistically, with a blending of work and life, and avoiding a “one size fits all” approach**
- **Leveraging technology to enable AND connect all dimensions of work**

Aligning the Trends with Sodexo's Quality of Life Dimensions

TREND						
Population Health Management	X		X			X
Humanizing the Workplace	X		X	X	X	
Engagement Through Recognition	X			X	X	X
Smart Energy Management		X	X			X
Workplace Violence & Terrorism		X	X			X
Enhancing QoL with Big Data		X	X			X
Urban Transformation	X	X	X			X
Gender Balance Teams	X			X		

Workplace Trends At-a-Glance

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A NEW BUSINESS MODEL FOR A
HEALTHIER WORKFORCE

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**POPULATION HEALTH MANAGEMENT:
A NEW BUSINESS MODEL FOR A
HEALTHIER WORKFORCE**

“

Good Health is Good Business

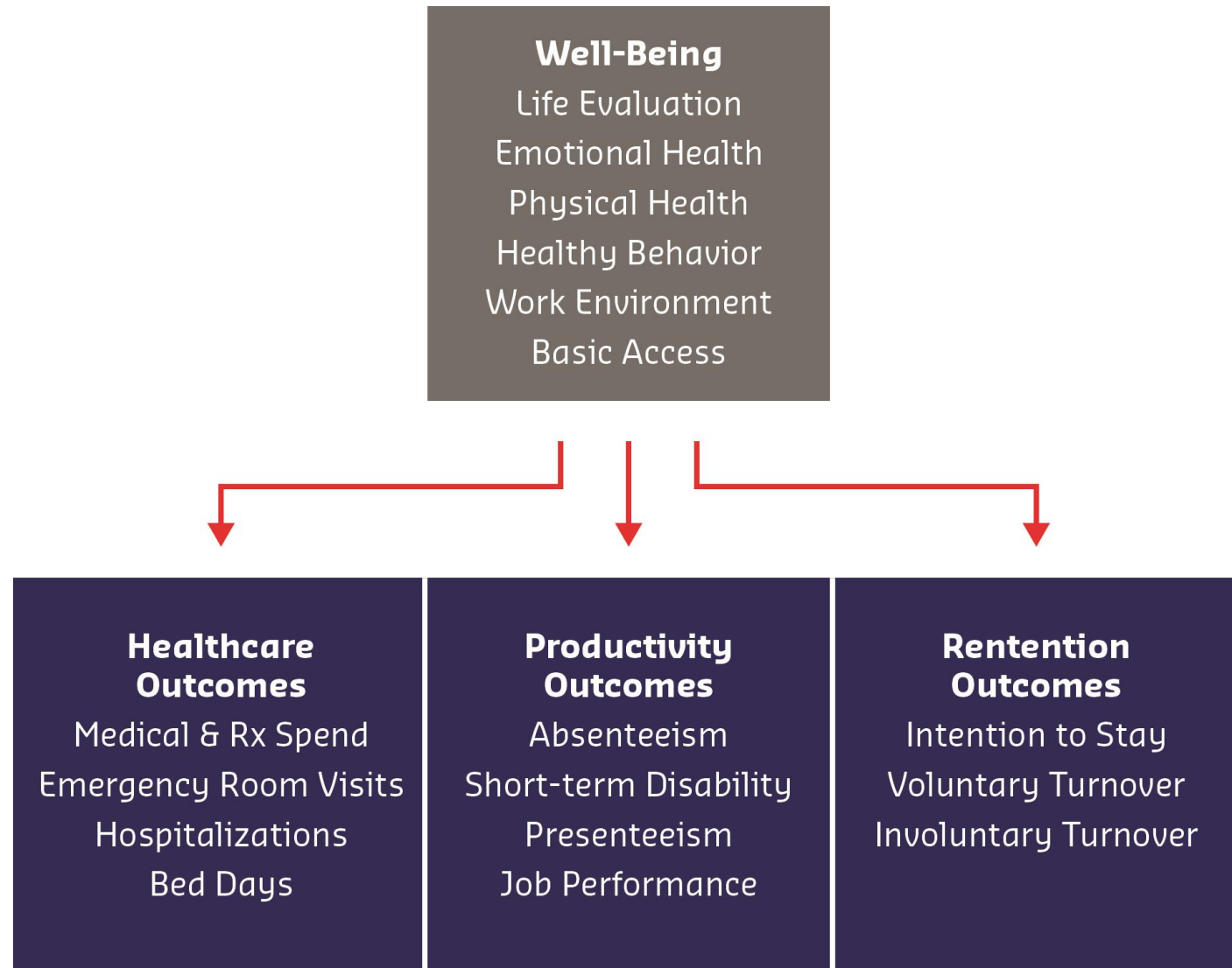
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Population Health Management

Population Health Management, or PHM, is a broad effort whereby individual, organizational, and cultural-level interventions are planned and implemented to improve the disease burden of entire groups or populations.

- Keeps people well at onset
- Decrease healthcare usage
- Avoid future overuse of the healthcare system
- Systematic approach
- Stratifies populations across health-risk profiles
- Applies different behavioral strategies to mitigate risk

First of its Kind Longitudinal Study-Employee Well-Being at a Fortune 100 Company



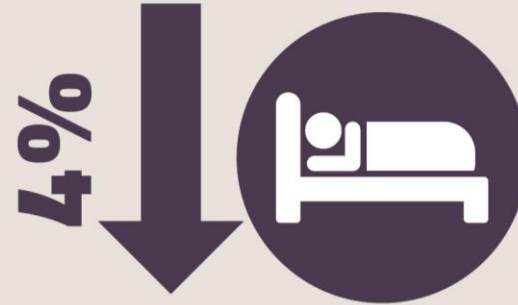
2015 Longitudinal Study-Effectiveness of 5 year Well Being Strategy



Individual Well-Being Score



Job Performance



Absenteeism



Healthcare Costs

Key Components of PHM in the Workplace



SUPPORT NETWORK

including Registered Dietitian Nutritionists (RDNs) and lifestyle/health coaches.

DISEASE PREVENTION STRATEGIES

that prevent the onset of conditions like Type 2 diabetes through programs targeting at-risk individuals.



The CDC's National Diabetes Prevention Program cuts the risk of developing Type 2 diabetes by

58%



INDIVIDUALLY-FOCUSED INTERVENTIONS

tailored to each participant's risk and readiness.



STRATEGIC PARTNERSHIPS

that allow organizations to expand their reach, and provide resources for employees outside of the workplace.



STRATEGIC USE OF INCENTIVES

incorporating behavioral economics designed to "nudge" participants to make healthy choices.



ACCESS TO HEALTHY FOODS

in the workplace, along with nutrition education and promotion of healthy choices.



Nutrition Facts	
Tomato, red, ripe, raw	
Serving Size 100g	
Calories	27
Total Fat 0g	0% Daily Value
Cholesterol 0mg	0%
Vitamin A	1241IU 25%
Vitamin C	16.5mg 32%
Vitamin K	11.0mg 21%

Integrated and Comprehensive Approach



EVIDENCE-BASED HEALTH & WELLNESS PROGRAMS

backed by research, to increase the likelihood of participant success.

The Core4 program produces an average weight loss of **4% to 7.6%**

TECHNOLOGY

leveraged to boost participant engagement and participation.



AN INTEGRATED PLATFORM

to simplify program management, and allow for easy employee access and communications.



COMMUNITY SETTING

and the inclusion of family and friends to boost employee participation and success, and decrease overall healthcare usage.



Responsibilities and Rewards of Key Stakeholders in Workforce Wellness

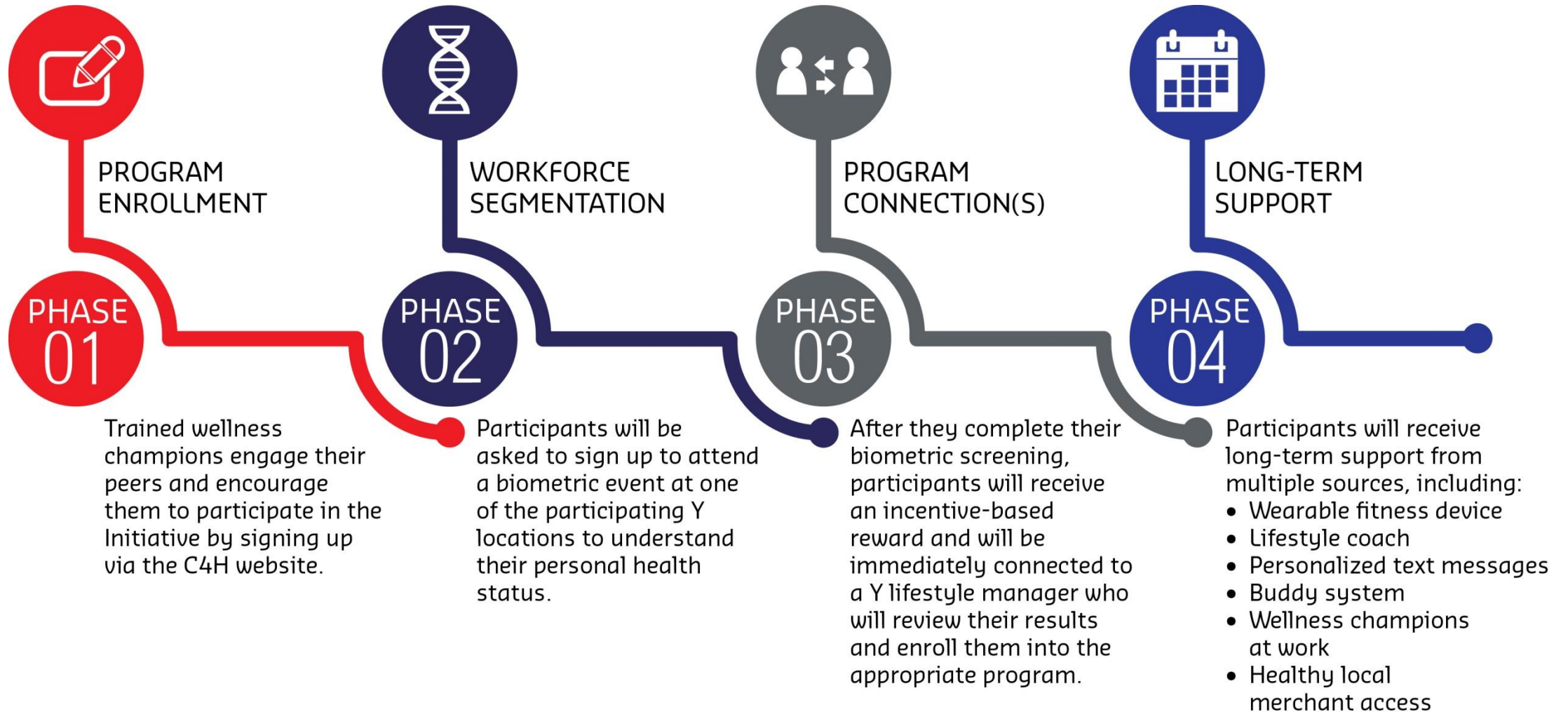
	Responsibilities	Rewards
Employees	<ul style="list-style-type: none">» Health management» Disease management» Job performance	<ul style="list-style-type: none">» Improved health» Incentive-based rewards» Enhanced productivity & resilience
Employers	<ul style="list-style-type: none">» Corporate culture of health» Investment in prevention» Healthier workplace environment	<ul style="list-style-type: none">» Optimal health & business performance» Ability to attract great employees» Employee satisfaction and retention

PHM Case Study – Communities for Health Pilot (3 years)

Communities for Health aims to achieve five specific objectives:

1. Engage individuals to participate in a robust health and wellness program through their employer by building a network of support, both in the workplace, the community and at home
2. Leverage community health partners, local and national merchants and integrated technology systems to support health management and incentive-based rewards for healthy behaviors
3. Strategically segment the workforce to connect participants to the appropriate evidence-based program, based on risk level and readiness to change
4. Reduce employee and family health risks by encouraging healthy behaviors that will positively impact performance and reduce healthcare costs
5. Leverage healthier behaviors of the employee to change the behaviors of their neighboring community

Phases of the Communities for Health Pilot



**WORKPLACE VIOLENCE AND TERRORISM:
BEST PRACTICES FOR A NEW REALITY**

Definition of Workplace Violence

According to the Occupational Safety and Health Administration (OSHA) workplace violence is defined as:

“

any threat or act of physical or psychological violence intended to cause harm – from harassment and intimidation, to sexual assault and murder

”

Workplace Violence Perpetrators



In 2014, workplace violence resulted in an estimated **188,280** missed work days and **\$25 M** in lost wages.

2 million U.S. employees are victims of workplace violence each year.

70% of U.S. organizations have insufficient or no programs/policies to combat workplace violence.

Risk Factors of Workplace Violence



Environmental

PHYSICAL CHARACTERISTICS OF THE WORKPLACE

- Unsecured entryways
- No security system
- Poor lighting
- Isolated work locations where employees are alone
- High-crime neighborhoods
- Customer/client/patient populations that abuse drugs/alcohol or have a history of violence



Organizational

WORKPLACE POLICIES, PROCEDURES AND CULTURE

- Inadequate training programs
- Confusing policies and procedures
- Understaffing
- High turnover
- Insufficient number of security personnel
- Limited organizational support for employees to effectively manage both work and personal matters



Societal

ECONOMIC AND SOCIAL ISSUES

- High poverty rates and limited opportunities for economic advancement
- High proportion of family disruption
- Social disorganization and minimal community involvement
- Social policies that help to maintain inequalities between groups in society
- Norms in society that promote and condone violence
- Geo-political unrest.



Technological

ACCESS THAT FACILITATES UNDESIRABLE COMMUNICATION

- Open data networks that share private information
- Security systems overly reliant on technology and, therefore, subject to hacking
- Insufficient protection of classified information

Best Practices for Workplace Violence Prevention

Lead by Example

Listen to Employees

Identify Threats

Take Corrective Action

Provide Training

Communicate Regularly With Employees

Evaluate Programs

Seek Technical Expertise

Inform All End Users

Collaborate With Other Companies



For employers who fail to prevent workplace violence,

jury awards

in liability cases average

\$3.1 MILLION

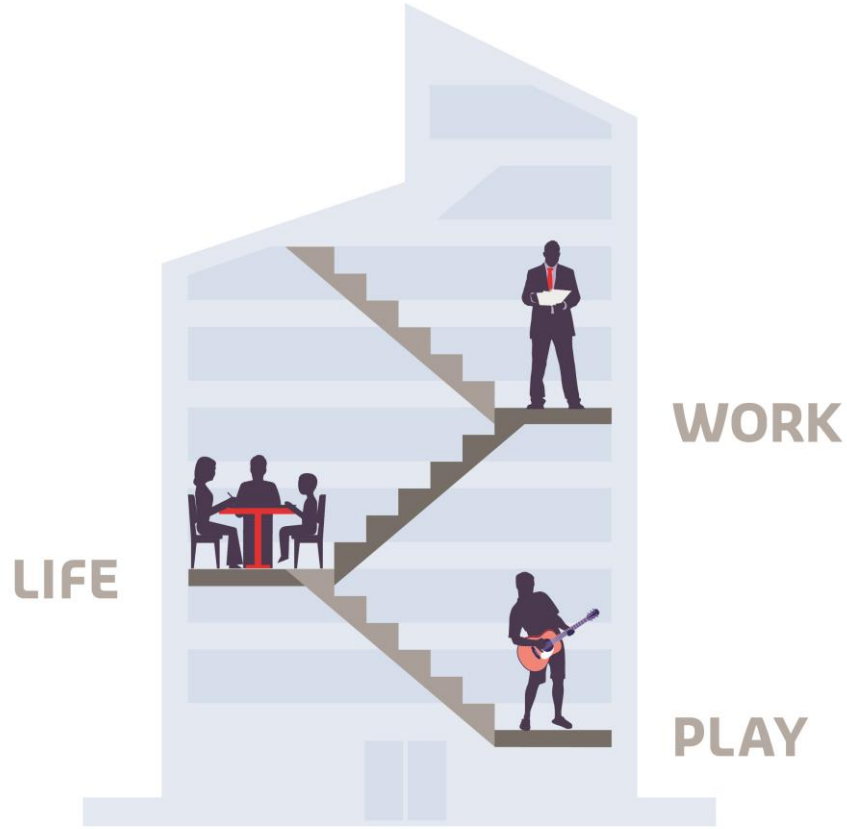
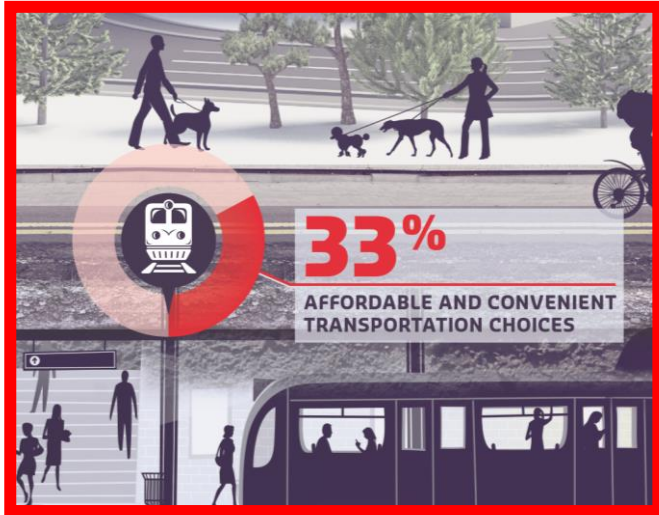
per person, per incident.

**STORIES OF URBAN TRANSFORMATION:
THE RISE OF 18-HOUR WORK/LIVE COMMUNITIES**

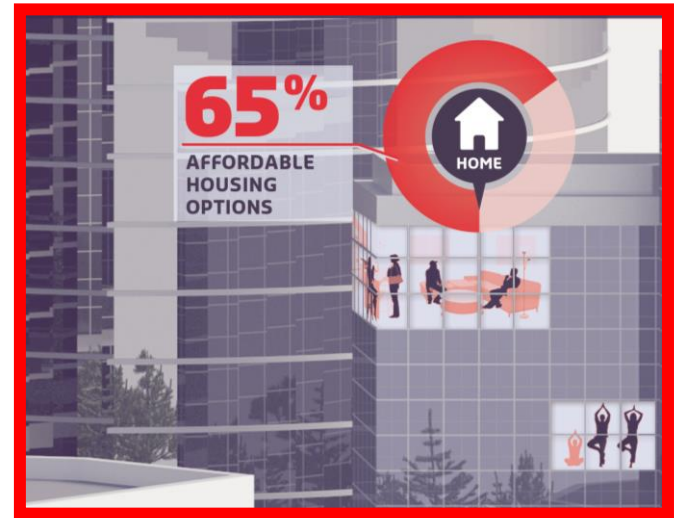
Three Themes of Urban Transformation Stories

- New Work/Live Places-Anytime access to place that accommodate lifestyle choice
- Corporate Real Estate and Community Partnership-Redevelopment of existing neighborhoods for purpose of co-working
- Horizontal and Vertical Villages-open plan workplaces designed for densification

High Priority Community Preferences: Metro Features



22% say **QUALITY OF LIFE FEATURES** are the **most** important factors when choosing where to live.¹



New Work/Live Places



TODAY

3,100
co-working
places globally



TOMORROW

12,000
co-working
places globally

Urban Transformation Conclusion

Today, more than half of the world's population is living in a city. By 2030, it is estimated that there will be 5 to 7 billion people living in urban environments and generating 80% of the world's GDP. This leads to many questions about what the city and workplace of the future will look like:

- How will the new urban landscape and live/work places transform the field of FM, real estate and workplace strategy?
- Will corporations provide living options for workers in the future?
- How will the new “free agent worker” movement transform the corporate office?
- Who will manage the multiuse work/live places of the future?
- Will cities be able to keep up with new zoning requirements to accommodate the migration and sky-high multiuse buildings?
- How will this change the real estate market?

**A FUTURE OF WORK ROUNDTABLE –
THE CONVERSATION**

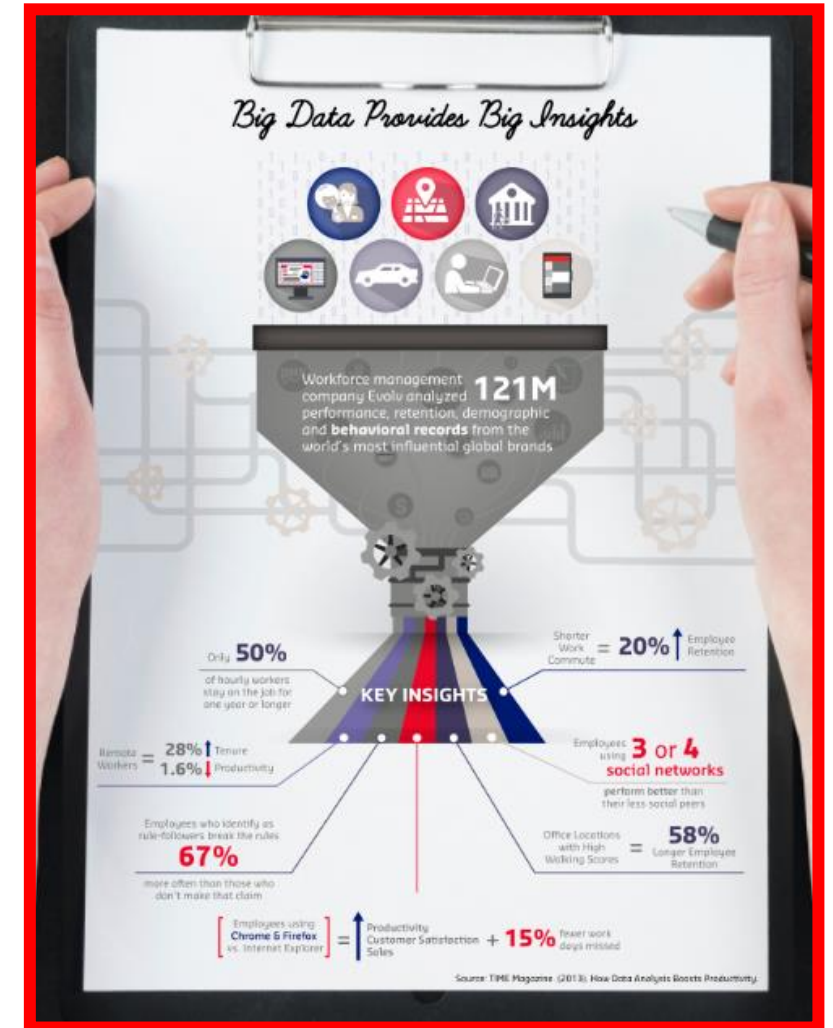
A Future of Work Roundtable IFMA 2015 Conference

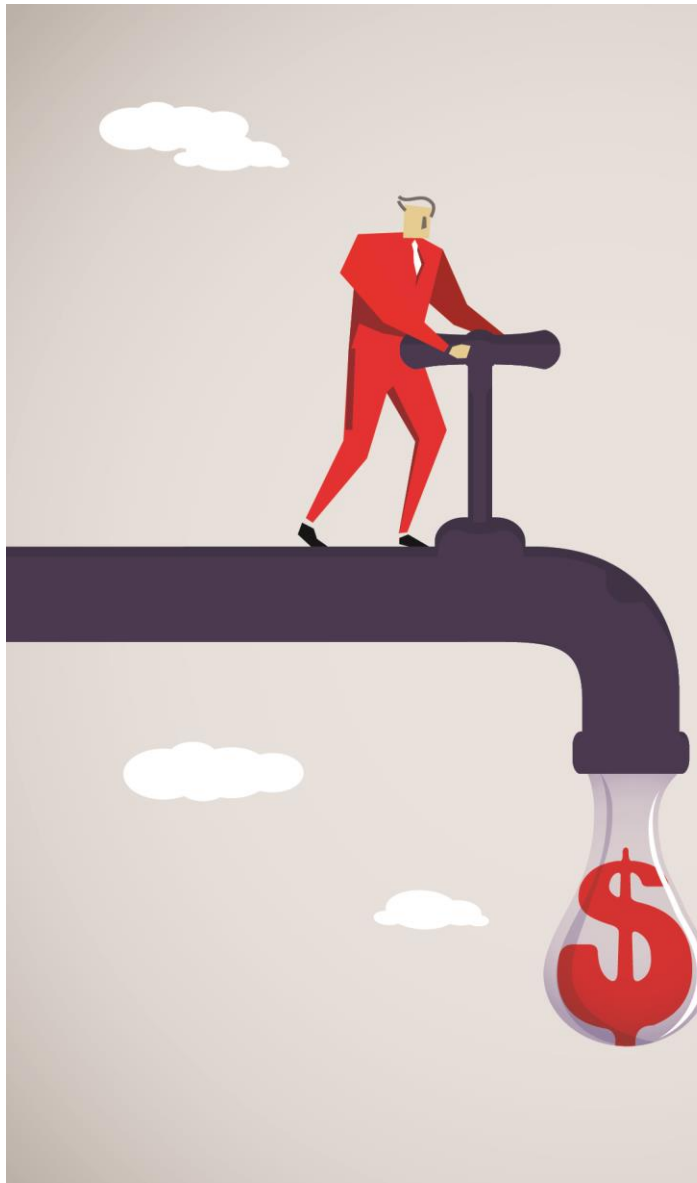
- What are the newest and most powerful opportunities for capturing data about employee work activities and experiences?
- What are the most compelling benefits of work activity data for employers? For employees?
- What are the dangers and risks?
- What are the most important do's and don'ts regarding work activity tracking? Should organizations establish and communicate formal policies about tracking and using work activity data?
- What is the appropriate role for leaders to take in defining and enforcing employee monitoring policies and practices?

Big Data Insights

Workforce management company Evolv analyzed 121M performance, retention, demographic and behavioral records from the world's most influential global brands.

- Only 50% of hourly workers stay on the job for one year or longer.
- Shorter work commute = 20% increase in employee retention.
- Remote workers = 28% in tenure and 1.6% in productivity.
- Employees who identify as rule-followers break the rules 67%.
- Employees using 3 or 4 social networks perform better than their less social peers.
- Employees using Chrome and Firefox vs. Internet Explorer = 15% fewer work days missed and higher productivity, customer satisfaction and sales.
- Office locations with high walking scores = 58% longer employee retention.





Between employee attrition and lost productivity, companies lose

\$350
BILLION
every year.

Source: TIME Magazine.

Benefits and Risks of Capturing Employee Data

- Ability to report on workplace ROI and effectiveness.
- The potential value of becoming much more data-intensive is enormous; it is now possible to be far more analytical about what skills, personality types and work experiences characterize successful employees.
- A powerful means of engaging staff is to include them in planning and design conversations about the data collection effort and its purpose, intended use and benefits.
- Employees may see the monitoring of work activities as micro-management, or a precursor to workforce reductions.
- Knowing they are being observed and measured often leads people to change their behavior — which may have either positive or negative consequences. But it is almost never neutral.

“

...we increasingly have lots of data and very little knowledge of what to do with that data. The concept that you can fundamentally hide was part of the creation of the United States. I think this is going to be more and more important as we move on, and I think this is a very important [issue] to be watching.

”

Professor Alexi Marmot

University College in London

HireVue Findings: Benefits of Big Data for Online Recruiting and Candidate Selection

44%



REDUCTION IN
EXTERNAL
RECRUITING COSTS

25%



REDUCTION IN
TIME TO HIRE

23%



COST-PER-HIRE
SAVINGS WITHIN
ONE YEAR

Dos Surrounding Big Data

- Involve all employees in conversations about what data to track and how to apply it to management decisions.
- Stay focused on data that will help employees and the organization as a whole become more efficient and more effective.
- Require employee agreement to any data collection efforts.
- Focus on continual improvement.
- Offer employees some benefit in return for sharing their data (i.e., lower insurance premiums for reporting weight losses, healthier eating habits, regular exercise).
- Be very clear and open about how you are using the data.
- Recognize that your organizational culture will affect the way any data is understood – and the very act of becoming more data-driven will change the culture.
- Treat data as an enabler and an input to decisions, not as a formula that determines outcomes.
- Be completely transparent about both data capture and data use, and establish opt-in policies and programs.

Don'ts Surrounding Big Data

- Don't allow any surprises – in other words, don't track behaviors in secret and then suddenly surprise employees with the information you have captured.
- Don't collect data and then let it disappear into a vacuum – share what you learn with the people who produced the data.
- Don't collect data for its own sake – always know why you are gathering any particular kind of data and how you will use it.
- Don't manipulate data or use the data to justify a decision you intended to make anyway.
- Don't sell the data without the permission of those who produced it.
- Don't set up opt-out programs that require employees to take positive action to prevent you from collecting data about them or their work activities.

Questions to Address Before Embarking on A Big Data Initiative

Why are you collecting this particular data?

What results are you attempting to achieve?

How will the data help achieve those results?

What decisions will be influenced by the data?

Who will have access to the data?

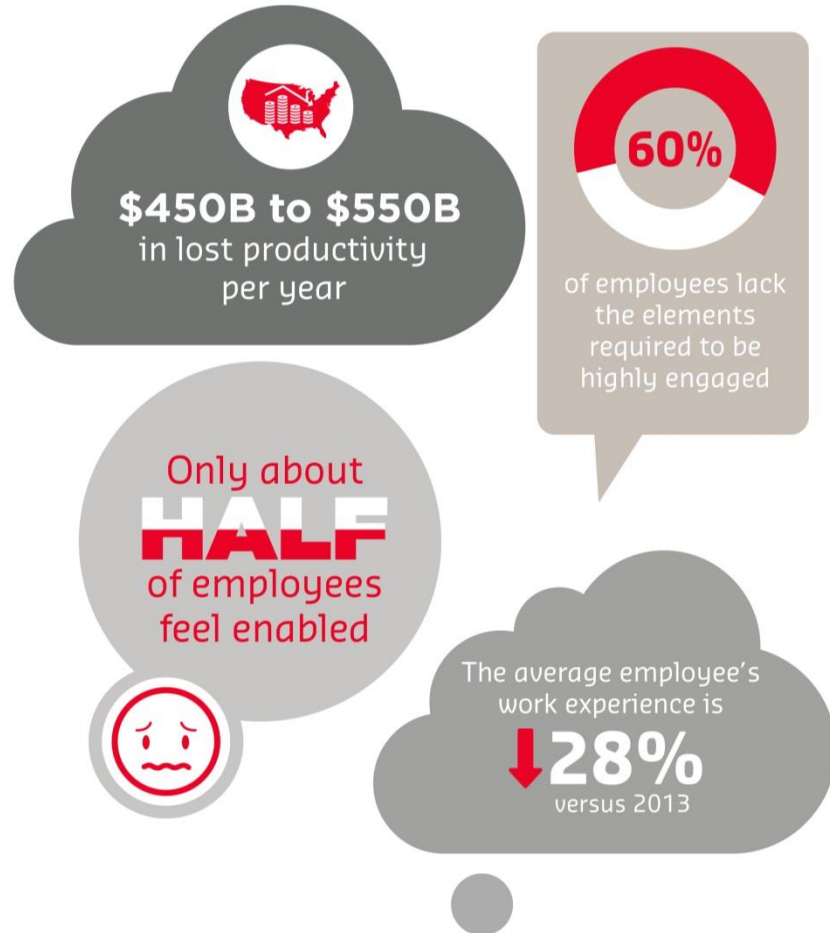
Whose interests will be served?

What are the risks of the data being misused?

**REACHING EVERY EMPLOYEE
IN AN ORGANIZATION:
ENGAGEMENT THROUGH RECOGNITION**

The Value of Employee Engagement

DISENGAGED



ENGAGED

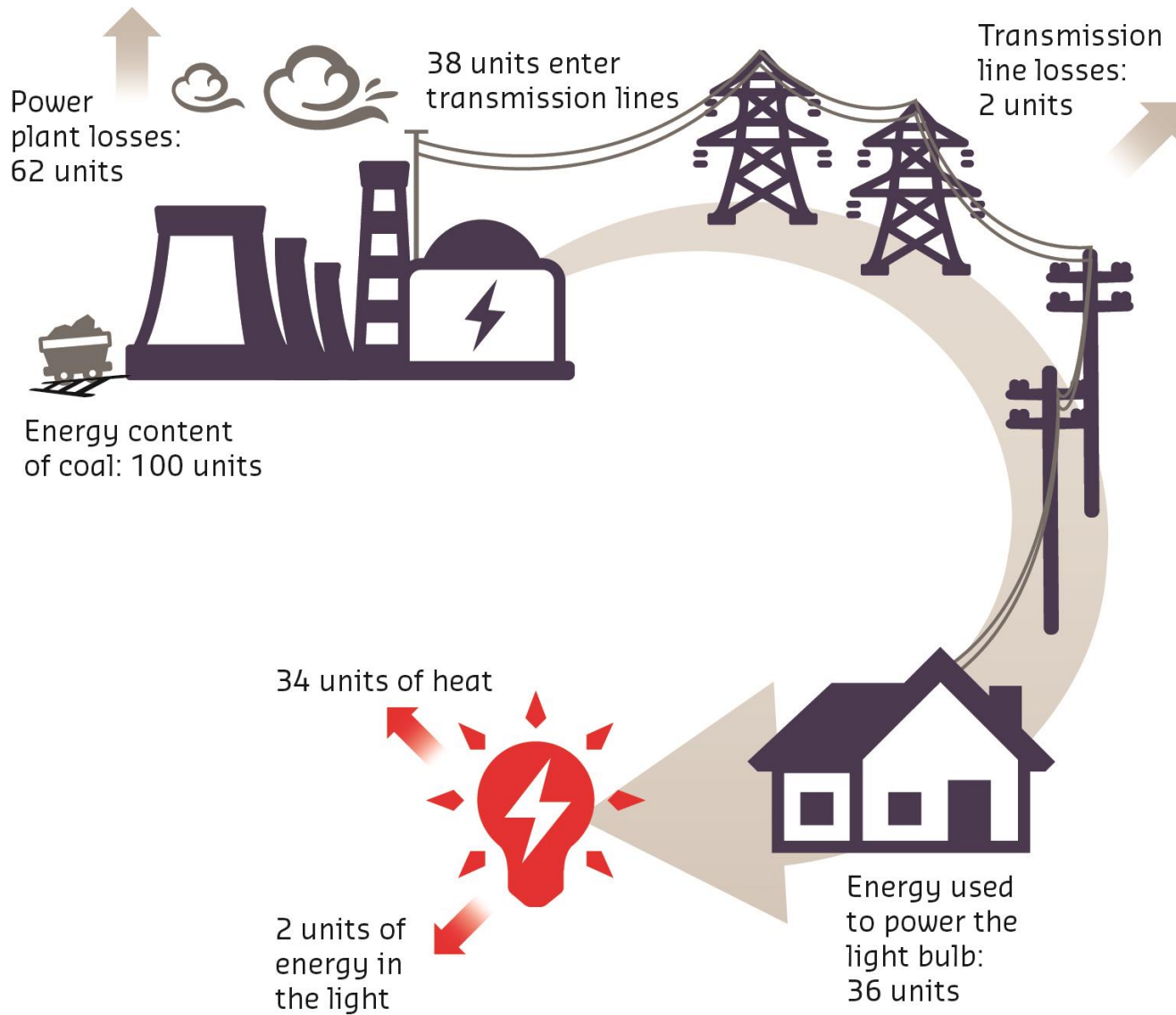


Reaching Every Employee Key Insights and Implications

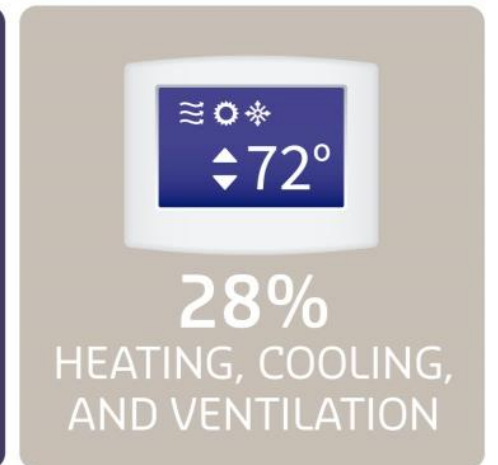
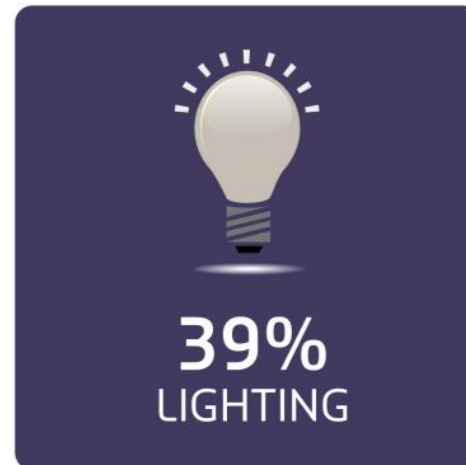
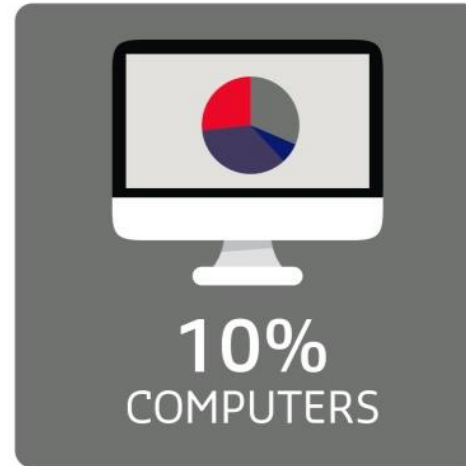
- Organizations must focus on two key areas to boost engagement and business performance: improving quality of life for employees and reaching every employee in an organization.
- Leveraging recognition in partnership with other important company programs (i.e., wellness programs) has proven to be the best method of improving overall employee engagement.
- Approximately 30% of the workforce works remotely today, and this requires a special emphasis on implementing the right tools and communication strategies to touch all segments within an organization – from desk workers to frontline employees alike.
- There are several best practices that are effective engagement tools for beginning a recognition program framework and can be used to facilitate goal-setting discussions.

**SMART ENERGY MANAGEMENT:
A WIN FOR THE ENVIRONMENT,
PEOPLE AND BUSINESS**

Energy Lost During Conversion and Transmission



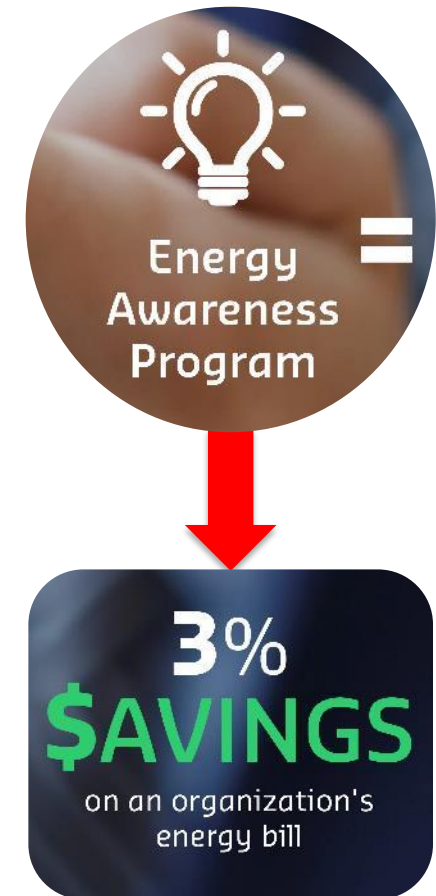
Office Building Electricity Use



Approaching Energy as a Quality of Life Issue



93% of companies
invested funds in energy
management over the
past four years.



Best Practices for a Successful Energy Awareness Program

- Determine SMART goals and objectives for your program
- Obtain upper management buy-in and support
- Assemble a cross-functional team to lead and drive change
- Solicit input from employees to guide program development
- Develop impactful key messages tailored to your workforce
- Use appropriate communication channels to share program information
- Plan fun and competitive activities tailored to your workforce
- Incorporate rewards, incentives and recognition throughout
- Create an evaluation method to gather behavioral data and results
- Share results with your employees and publicly recognize their accomplishments

Smart Energy Management Key Insights and Implications

- People in the workplace are the most powerful resources to curb carbon emissions. A consumer who eliminates one unit of energy can save an average of 1.2-1.5 units.
- With more education and resources, the workplace consumer could strategically plan how and when they use energy. Energy awareness and education is the key to conservation.
- To create a win-win for people and the environment, businesses should approach energy as a quality of life issue. Smart energy management can improve several aspects of the workplace physical environment.
- Energy management is also good for business. Consumers are willing to pay more for products and services provided by companies that are committed to positive social and environmental impact.

**HUMANIZING THE WORKPLACE:
USING DESIGN PRINCIPLES TO INSPIRE
WORKPLACE THINKING**

VUCA – Volatile, Uncertain, Complex and Ambiguous

- The concept of VUCA emerged out of the U.S. Army War College in the mid-'90s and has subsequently fostered a virtual renaissance in how people view the conditions under which decisions are made, plans are strategically conceived, risk is managed, change is fostered and challenges are addressed. It has been applied to organizations from the military and governments to public and private companies, not-for-profits, educational institutions, etc.
- Leadership, management and newly empowered workers are anticipating challenges, understanding the consequences of actions, appreciating the interdependence of multiple variables, preparing for alternative realities, and owning their own transformation and even disruption.

Using Design Principles to Inspire Workplace Thinking

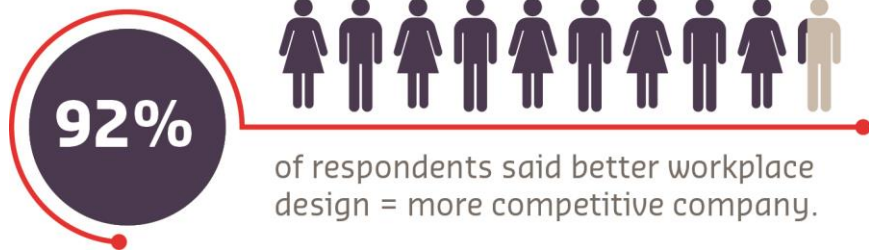
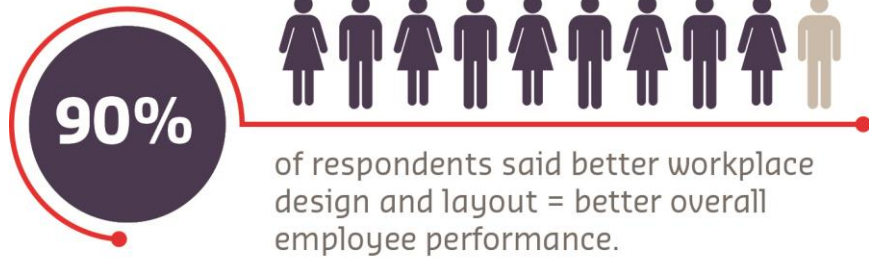


Humanizing the Workplace Key Insights and Implications

Seven design principles can help guide managers and leaders who are charged with humanizing the workplace and inspiring new thinking.

- **Get Serious About Play:** Workplace environments that support and encourage play are critical to business outcomes.
- **Mind the New Mindfulness:** Even very short periods of inner quiet can expand our ability to focus, improve our judgment and allow us to communicate more clearly.
- **Lose Your Balance:** The workplace can and should sustain a more holistic version of life, where work and life are less about balance and more about respectful integration.
- **Rethink Knowing:** We will have to rethink workplace environments to animate the unique human ability to shift perspectives, synthesize information and recognize patterns.
- **Recognize Recognition:** People need to be recognized for taking risks and failing as much as they are for more conventional achievement.
- **Blur the Organization:** Diverse perspectives, cross-disciplined and even cross-organizational thinking are increasingly fundamental to companies imagining “next”.
- **Create Place, Not Space:** Places, not spaces, can promote collaboration and new perspectives. It is the infusion of culture and people that transforms space to place.

Key Findings from the U.S. Workplace Survey



BrightHR Study: *It Pays to Play*

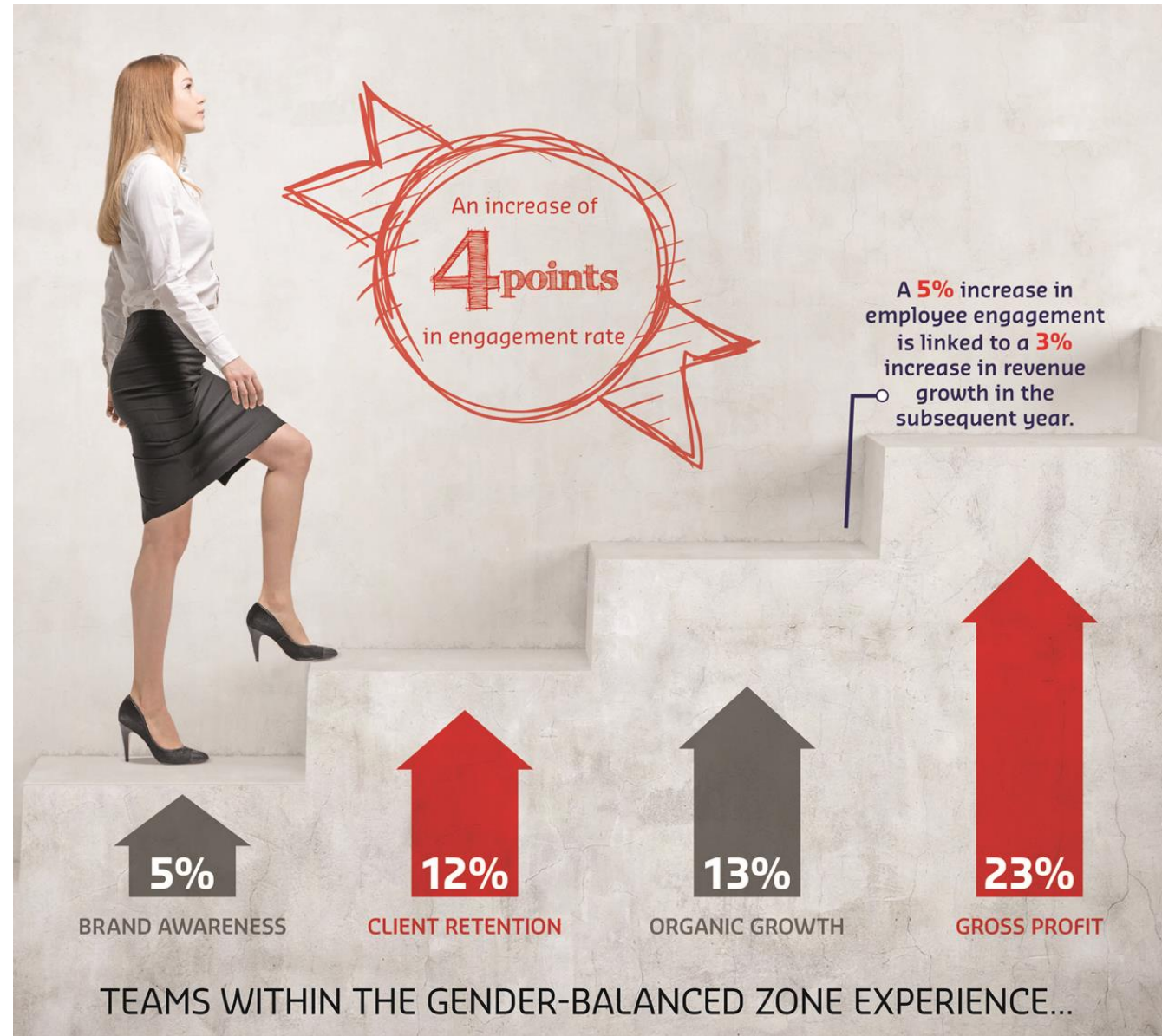
Taken part in fun activity in last 6 months*:



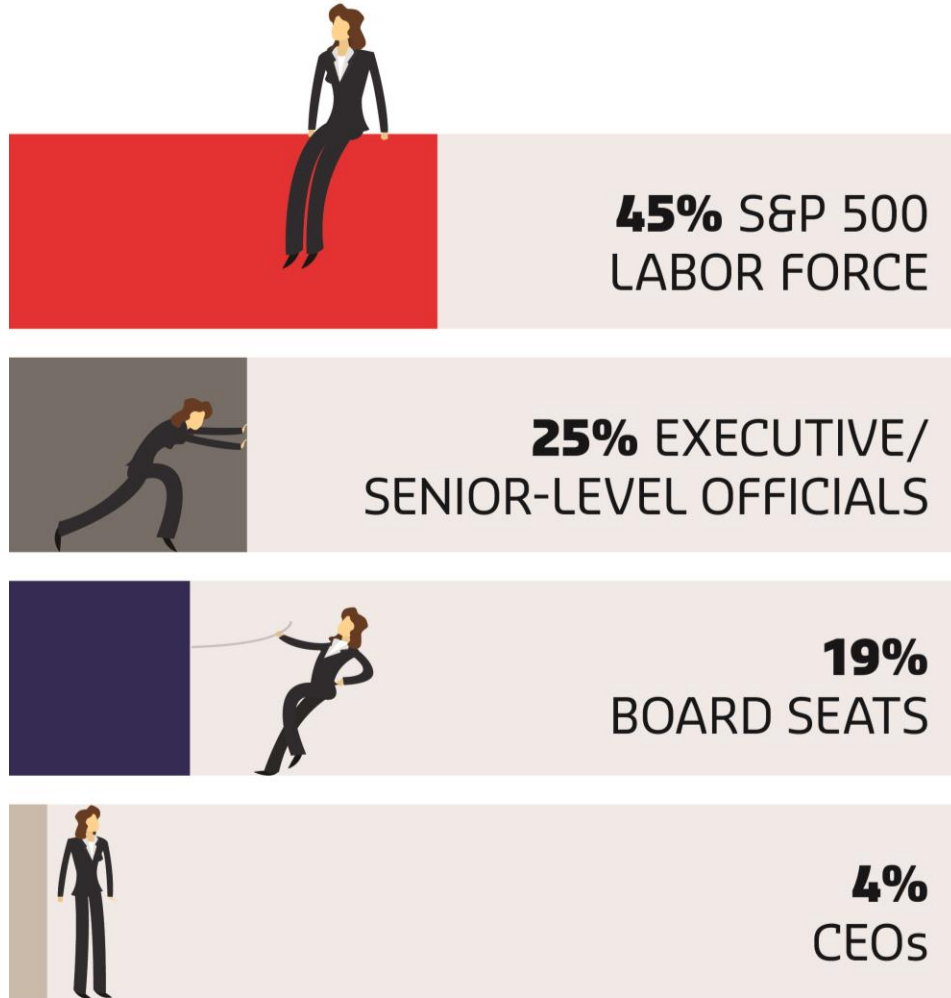
*Mean scores on a number of different scales.

**GENDER-BALANCED TEAMS LINKED
TO BETTER BUSINESS PERFORMANCE:
A SODEXO STUDY**

The Gender-Balanced Zone



Women in the Workplace



A recent McKinsey report compared the financial performance of companies in the upper quartile in terms of the number of women in top management with the performance of companies having no women in top management. **The companies with the highest number of women in top management had the best performance, with a 41% higher return on equity than the average.**

Focusing on Financial and Non-Financial Indicators

Teams at Sodexo within the optimum gender-balanced zone have experienced, on average, an increase of four points in the global engagement rate versus only one point for other teams between 2010 and 2012.

Similar correlations are found with other business metrics, including:

- Brand Awareness: 5% higher for gender-balanced teams
- Client Retention: 12% higher for gender-balanced teams
- Organic Growth: 13% higher for gender-balanced teams
- Gross Profit: 23% higher for gender-balanced teams

Sodexo's Commitment to Gender Balance

Key Statistics 2009-2015

	2009	2015
Representation of women on the Board of Directors	31%	38%
Representation of women on the Executive Committee	25%	43%
Representation of women among senior leaders	17%	31%
» <i>In operations</i>	10%	17%
Women's engagement rate (district managers)	51%	64%
Women involved in a mentoring program	260	2,000

“

Our commitment to gender balance pushes us in the right direction, fortifies our pipeline of female managers and leads to more steady, predictable and sustainable growth and productivity. In this landmark year where we approach our goal of 25% of women in our top 300 leadership positions, this study reinforces our efforts to become an even more inclusive company.

”

Michel Landel, CEO

Sodexo



Thank You