

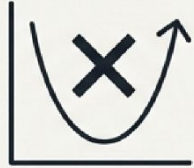
# The Vanishing U-Shape

## A New Playbook for Employee Wellbeing in Europe

Why our long-held assumptions about age and happiness are now dangerously outdated—and what to do about it.

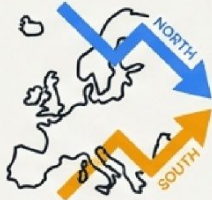


# The Bottom Line: A Fundamental Shift Requires a New Strategy



## THE OLD MODEL IS BROKEN

The predictable U-shape of wellbeing by age has vanished in Western Europe, replaced by a stark and divergent North/South geographical divide.



## NEW TALENT RISKS HAVE EMERGED

This shift creates urgent, and opposite, challenges: declining wellbeing among your youngest employees in the North, and the need to support midlife careers in the South.



## A NEW PLAYBOOK IS REQUIRED

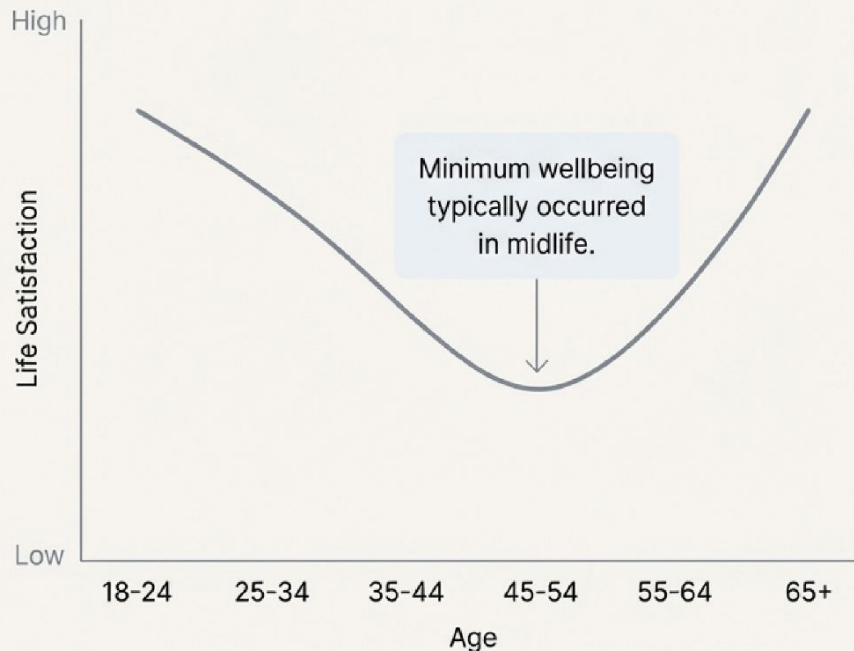
Effective response means moving from one-size-fits-all programs to a targeted, adaptive strategy anchored in opportunity, security, and differentiated support.

# For Decades, Wellbeing Followed a Predictable Path

We built our wellbeing and talent strategies on a well-established fact: life satisfaction followed a U-shape. It was high in youth, dipped to its lowest point around age 50, and recovered in later years. This pattern was documented in over 600 published papers.

Our own analysis of Eurobarometer data confirms this U-shape held consistently across Western Europe from 1973 through 2019.

Life Satisfaction by Age (Western Europe, 1973-2019)



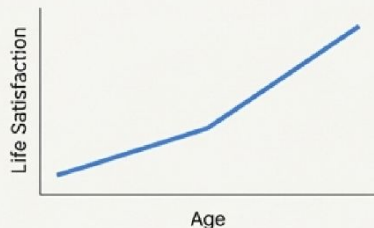
# That Foundation Is Now Broken.

Analysis of over 2.4 million observations from 2020-2024 reveals the U-shape has disappeared across Western Europe.

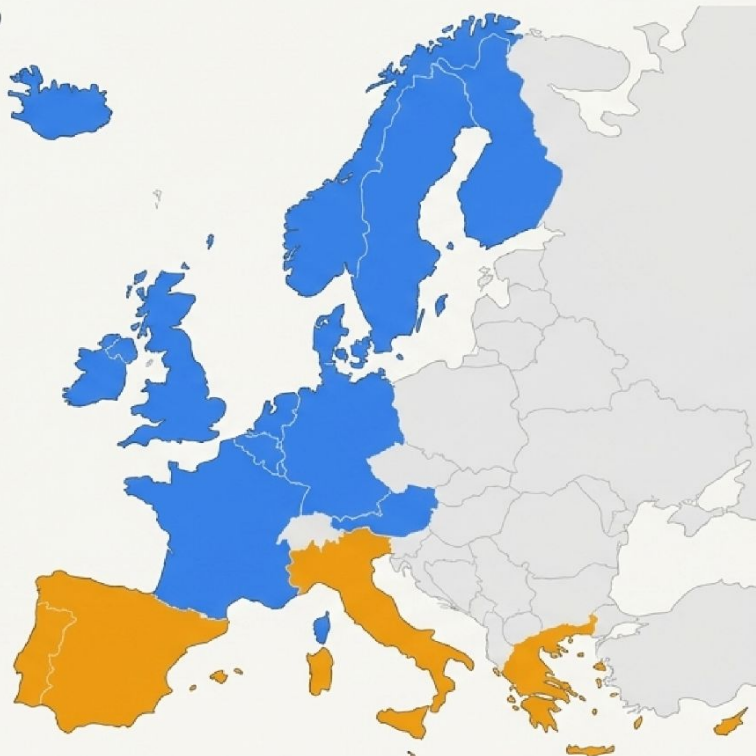
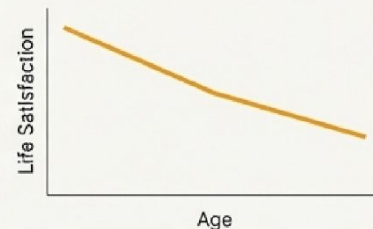


# The New Reality: A Great European Divide in Wellbeing

Northern Europe: Life Satisfaction Now Rises with Age



Southern Europe: Life Satisfaction Now Declines with Age





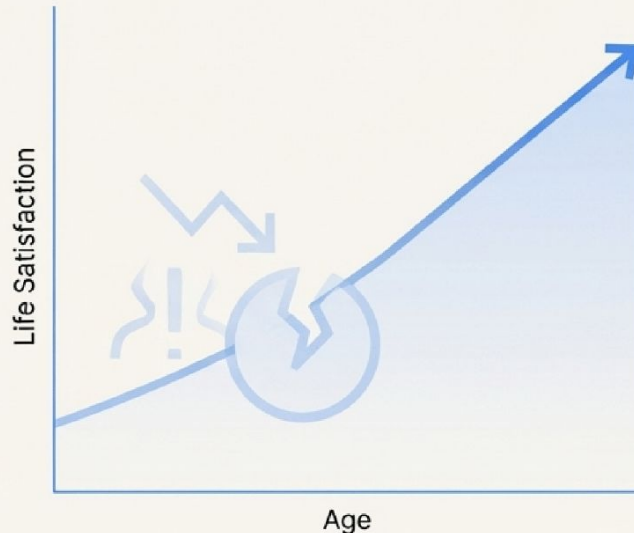
# The Northern Challenge: A Youth Wellbeing Crisis

In 13 Northern European countries, your youngest employees are now your **least satisfied** and **most** are now your **least satisfied** and most at-risk.

## Implications for Business

- **Productivity Risk:** Lower life satisfaction is directly linked to reduced job performance and higher absenteeism.
- **Talent Drain:** Organizations will struggle to attract and retain early-career talent without targeted support.
- **Innovation Threat:** A disengaged young workforce jeopardizes long-term innovation and growth.

This pattern aligns with broader research showing deteriorating mental health among young people since approximately 2013, potentially linked to economic uncertainty, housing pressures, and digital saturation.



# The Southern Dynamic: A Story of Opportunity

In 6 Southern European countries, improving youth labor markets have dramatically boosted young worker wellbeing.

## The Driver is Opportunity

Subjective wellbeing is intimately connected to objective opportunity. The dramatic fall in youth unemployment is a primary driver of this trend.

## The New Challenge

While youth wellbeing has risen, organizations must now ensure midlife workers are not left behind as they navigate career transitions and reskilling needs.

### Proof Point

In Greece, youth unemployment fell from a crisis level of

**50.4%**

2015

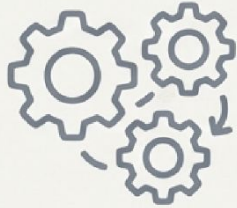


**22.3%**

2024

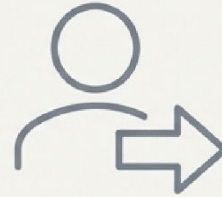
# Why This Shift Demands Your Attention Now

Misunderstanding the new wellbeing landscape directly impacts core business outcomes. Strategies based on the outdated U-shape model misallocate resources and expose the organization to new risks.



## Productivity

A decline in performance and engagement from the wrong employee segments.



## Talent Retention

Increased and unexpected attrition among early-career (North) or mid-career (South) talent.



## Healthcare Costs

Rising costs from unaddressed mental and physical health challenges in at-risk demographics.



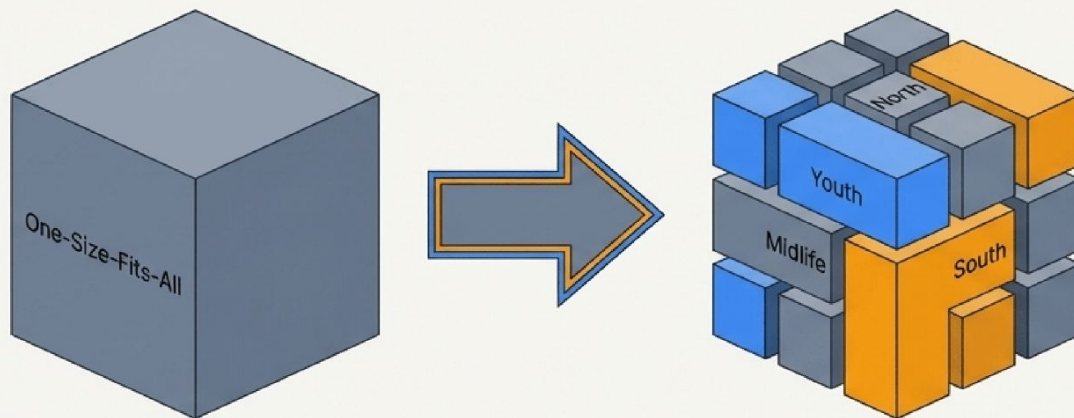
## Organizational Culture

A disconnect between stated values on wellbeing and the lived experience of employees.



# A New Playbook: From Uniform Programs to Targeted Support

The new European wellbeing landscape requires a strategic shift. We must move beyond generic wellness perks and develop an evidence-based portfolio of interventions tailored to specific age and regional needs.



## The Way Forward

- Differentiate support by geography and generation.
- Anchor wellbeing in foundational elements of opportunity and security.
- Master the tools of the modern workplace: communication and digital wellbeing.
- Build upon a comprehensive mental health system for all.

# Strategy 1: Differentiate Wellbeing by Age and Region

## For Northern Europe (Focus on Youth)

**Goal:** Address declining wellbeing and retention risk in early-career talent.

### Key Interventions

- Structured career paths with clear advancement criteria.
- Financial wellness programs (student debt, home buying).
- Initiatives to build social connection and community.



### In Practice

Unilever implements comprehensive early-career programs with structured mentorship and transparent growth opportunities.

## For Southern Europe (Focus on Midlife)

**Goal:** Support mid-career employees through economic and technological shifts.

### Key Interventions

- Robust reskilling and upskilling programs.
- Career transition support and internal mobility options.
- Flexible work and caregiving assistance for the “sandwich generation.”



### In Practice

Telefónica runs extensive reskilling initiatives to ensure its midlife workforce remains adaptable and engaged.

## Strategy 2: Anchor Wellbeing in Opportunity and Security

The Southern European data proves that objective opportunity is a powerful driver of wellbeing. Lasting impact comes from addressing structural factors, not just individual coping skills.



### **Quality Apprenticeships:**

Invest in programs that lead to real skills and permanent employment.



**Investment in Training:** Signal long-term commitment to your workforce's future.



### **Transparent Advancement:**

Reduce ambiguity and enhance employees' sense of control over their careers.



**Meaningful Flexibility:** Offer work arrangements that enable employees to manage life's demands without sacrificing their careers.

**SIEMENS**

**Siemens'** extensive apprenticeship programs provide young workers with valued skills, income security, and a clear career pathway—foundational elements of wellbeing.



# Strategy 3: Master Communication and Digital Wellbeing

In an environment of uncertainty and digital overload, how you communicate and manage technology can either build or erode wellbeing.



## Radical Transparency

Communicate openly about strategy and performance to reduce uncertainty and build trust. ING Group 🦁 prioritizes this to give employees clarity and a sense of purpose.



## Establish Digital Boundaries

Implement clear norms that discourage an “always-on” culture. 🇩🇪 Volkswagen's policies limiting capital limiting policies limiting after-hours email are a pioneering example of managing digital demands.



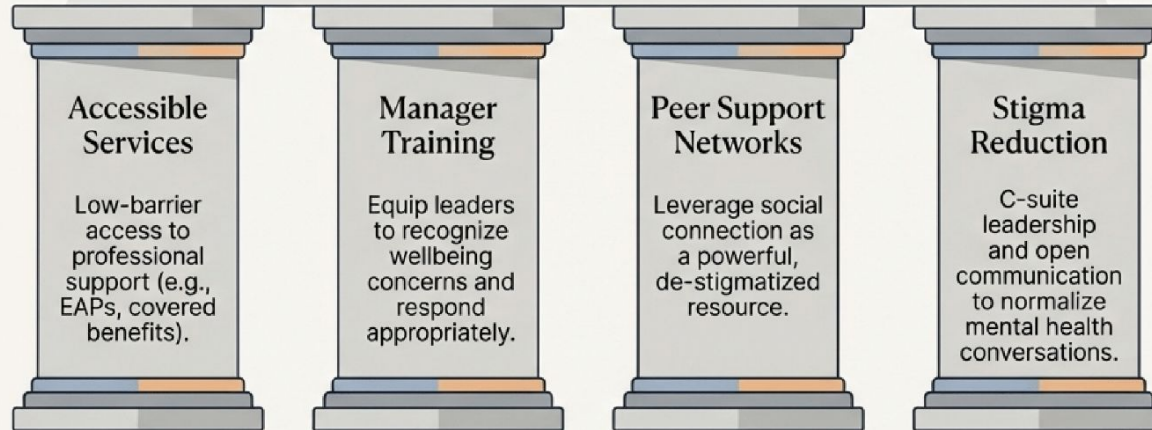
## Train for Healthy Tech Use

Equip employees and managers with skills to use collaboration tools effectively without creating constant distraction.



# The Foundation: A Comprehensive Mental Health System for All

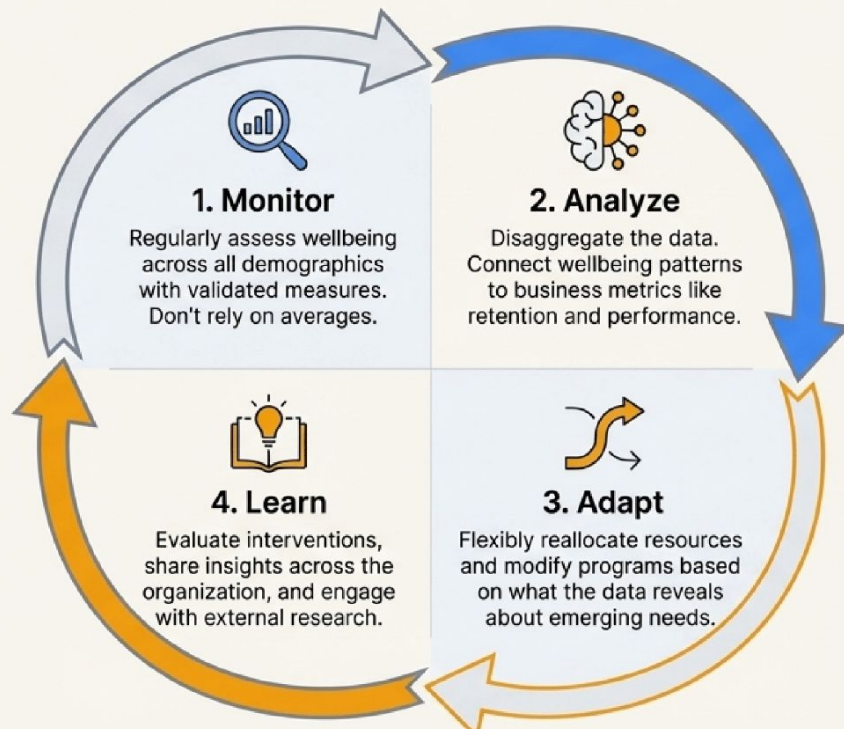
Targeted interventions are effective only when built upon a foundation of comprehensive support available to every employee, regardless of age or location.



**Deloitte** invests heavily in mental health training for its managers, recognizing they are the first line of support for their teams.

# Beyond Today: Building an Adaptive Wellbeing System

The U-shape vanished within a few years. Today's patterns will also evolve. The ultimate goal is not to perfect a response to the current reality, but to build the capacity to adapt to the next one.



# Your Strategy for a New Reality

## Key Takeaways

- The U-shape is gone, replaced by a new North/South divide.
- This creates new, urgent talent risks for youth in the North (highlighted in **Northern Europe Blue**) and midlife workers in the South (highlighted in **Southern Europe Orange**).
- A targeted, adaptive playbook anchored in opportunity is the only effective response.

## Your Next Moves

1. **Assess:** Analyze your own engagement and wellbeing data. Do you see different patterns by age and geography?
2. **Audit:** Identify where your current wellbeing strategy is implicitly designed around the outdated U-shape model.
3. **Act:** Convene a cross-functional team (HR, Strategy, Operations) to begin designing a new, targeted playbook based on this new reality.