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Riding the Wellness Wave: Implications for Organizations

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Most people spend at least one-third of their adult lives working. When one looks at it this way, it should be no surprise that experiences at work may influence people's physical and mental health. It is also no surprise that organizations are increasingly responding to high costs and consequences associated with poor employee health and well-being. In fact, recent survey findings suggest that close to 77 percent of employers are now offering formal health and wellness programs (e.g., Capps & Harkey, 2008). This article discusses this trend to wellness promotion and offers some suggestions for ways an organization can become a more proactive and fully effective promoter and sustainer of workforce health and wellness.

A FOCUS ON WELLNESS

Organizations are implementing health and wellness initiatives with an eye on reducing exorbitant health care costs associated with an unhealthy workforce. Recent studies show that these costs are in large part associated with a sedentary lifestyle. That is, one of the strongest controllable predictors of total health care costs to work organizations appears to be an employee's activity level, and this factor becomes increasingly strong as individuals age (e.g., Wilkerson, Boer, Smith & Heath, 2008). There is a wide variety of health-enhancing initiatives on the market that may be appropriate and effective at increasing physical activity and improving nutrition. The basic theme running through most of these health promotion programs across organizations is that workers can be taught to make healthier lifestyle choices.

Many managers try to quantify the impact of wellness promotions with some form of return on investment

(ROI) calculation. There has been a lack of consistency across published studies regarding that type of metrics, but recent efforts to demonstrate proper ROI estimation for these types of interventions offer organizations a good deal of helpful guidance (see Goetzel, Ozminkowski, Baase & Billotti, 2005). What these types of estimations show is that even a small reduction in health risk for a large organization's workforce can yield dramatic savings in health care costs. As an illustration, Goetzel *et al.*, showed that even a reduction of just 1.7 percentage points in health risk of the general workforce over a 10-year period would allow their particular sample organization to break even on its wellness investment. Other recent studies also support the long-term impact of these types of wellness interventions.

Perhaps one of the clearest positive examples comes from a nine-year study of Johnson and Johnson's wellness initiative, in which a reduction in medical care expenditures of \$224.66 per employee per year was realized over a four-year post-program period (Ozminkowski *et al.*, 2002). As ROI estimation techniques become more widely understood in this venue, we can expect to see more and more credible estimates of organizational ROI associated with wellness programs. In the interim some firms are using other measures, such as program participation and completion of health risk assessments, to assess their programs' success (Miller, 2008). Indeed, more organizations are demonstrating positive ROIs on wellness interventions than ever before (Capps & Harkey, 2008).

One question that lingers for many, though, is whether improving health necessarily means improving wellness. Wellness is a broader concept, and it requires everyone to think more generally about factors that may be influencing

a person's overall well-being. Hint: Not all of these factors exist in the workplace. Standard approaches to health promotion are rather myopic, focusing on symptom reduction. Such approaches cannot by themselves be expected to yield truly monumental savings that many firms are seeking.

More important, organizations need to realize that investments in worker health and well-being are long term. In other words, do not expect to achieve a positive ROI within the first year. The biggest challenge initially is in generating and sustaining participation by the majority of employees. Many workers are still skeptical when their employer attempts to control any aspect of their personal life. To combat this response, many firms have been experimenting with incentives and program participation requirements. A recent survey of organizations highlights current best practices with respect to incentivizing employee health interventions, such as the use of gift cards, premium reductions, and cash bonuses linked to participation (Capps & Harkey, 2008).

To really have an impact, organizations may need to take a different approach. Perhaps it would be wise to proactively consider these issues before health and wellness become a problem for the workforce. The design of everything from office buildings, to desk spaces, to work-flows can be informed by the science of industrial-organizational psychology, organizational behavior, and human factors or ergonomics (*i.e.*, person-machine, person-environment interactions) to minimize the negative effects of work on employees. This approach requires a proactive stance on wellness enhancement, one that many large organizations are currently not willing to take, even though it could save them significant money over time. The real opportunity may actually be with small to medium-sized organizations, where demonstrating this type of personal

focus on workers' health and sustained well-being could be seen as a sign of organizational commitment to the worker. This is not a bad strategy for engendering reciprocal commitment from a firm's employees. After all, employees wish to be treated fairly and valued by their employers (Koys, 1991), and a properly designed and executed wellness program and a healthy work environment are two excellent ways to demonstrate this to employees.

Apart from being proactive internally, organizations also have a responsibility to take a broader systems view of how their health and wellness programs and policies (if they have any) are connected to other related efforts at the community level. Indeed, organizations are community members, and all employees live and support the local communities in their nonwork time. A strategy that has not been adequately leveraged and tested in the United States involves an integrated partnering of work organizations, local communities, and government to ensure that health and wellness become a way of life. You can find many examples of wellness-related legislation in countries other than the United States. One of the most recent examples is Japanese legislation requiring employers to monitor employee body fat levels and pay penalties into the national health care system if employees exceed government limits for acceptable waistlines (Smerd, 2008). Although this approach is extreme, this type of accountability may be necessary in order to motivate employers to take the health and well-being of their employees seriously. Interestingly, this approach is beginning to creep into American politics, but mainly at the state level (Wojcik, 2008).

It is easy to talk about improving healthy eating or exercise with education, but what organizations are really attempting to do is change peoples' lifestyles. Lifestyles are broader than workstyles, and although the workplace is an excel-

lent domain to initiate change in (given the "captive" audience and large amount of time that these individuals are available), it is overly simplistic to think that we can fully influence a person's wellness by focusing on only one domain.

IMPLICATIONS FOR ORGANIZATIONS

With excessive health care costs being a top concern for benefits professionals and top managers, wellness program design and implementation is getting lots of attention in the contemporary workplace. As stated by Michael Dermer, CEO of IncentOne, which provides incentive solutions to employers, there is no current established "science" for wellness program incentive design, but the field is expanding (Miller, 2008). Employee behaviors that are being rewarded in wellness initiatives across firms include participating, completing, or enrolling in the wellness program; achieving goals during or after the program; maintaining specific outcomes; or recruiting others to participate (Miller, 2008). In 2008, gift cards were the most heavily used incentive by employers, closely followed by insurance premium discounts and cash incentives. However, companies are recognizing that key-chains and other trinkets will not encourage most employees to stop smoking, drop weight, or exercise more. Ultimately, firms will need to ensure effective communication of their incentive plan and choose workable and effective incentives that fit their company culture.

It is not just mega-companies that can and should be thinking about wellness, either. Small employers can ride the wellness wave without incurring excessive costs and still be rewarded with healthier employees who show up more often to work and expend fewer health care dollars. For starters, Coval (2008) recommends not positioning a wellness initiative to employees solely as a cost-savings measure but as an investment in them to obtain a

healthier lifestyle. Simple measures that small and medium employers can pursue include buying pedometers for their employees to track how much they walk each day, encouraging them to walk during lunch, or even having a competition among staff. Other inexpensive interventions include cleaning out the vending machines' sugar- and fat-filled contents and replacing them with healthier options (e.g., nuts, dried fruits), or installing a refrigerator in the breakroom so employees can bring healthier lunches. Covell (2008) also encourages employers to provide caloric and nutrition information regarding fast-food chain products so that half-hour work lunches don't turn into junk food binges.

Employers can educate their particular workforce on health information most pertinent to them, such as the importance of prostate screenings for an aging male workforce. Volunteer experts can also come to the workplace and demonstrate useful exercises for those who do tedious work with their hands or simple exercises that desk-bound employees can do. Indeed, extensive on-site exercise facilities, while nice, are not necessary; employees can do many simple exercises (again to fight the sedentary nature of many jobs) in an empty conference room, stairwell, or parking lot in regular work clothes. Finally, for as little as five dollars per person, many insurance providers and other wellness vendors will provide employees with thorough (voluntary and confidential) health assessments of eating, exercise, and life habits (Covell, 2008).

Thus, wellness initiatives that promote healthier employee lifestyles

do not have to be overly costly or complex. On the other hand, companies that want a more sophisticated program can do so with the help of specialized consultants, knowing that over time they can achieve a positive ROI on wellness. Although full workforce participation may require more than a "get fit like me" company T-shirt, why not start a voluntary wellness program in your organization this year and see what happens? You might have a larger impact than you originally anticipated, both directly and indirectly, throughout your workplace. ☺

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