

# EMPLOYEE WELLNESS PROGRAMS

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# Chapter 1

## WHAT IS EMPLOYEE WELLNESS?



According to the wellness proposals- a wellness consultant working independently- wellness is the process through which employees gain an awareness of their choices and learn the wisdom of making healthy choices (Griffin, 2016). Wellness is not simply being free of illness. The focus of wellness is to maintain the body in the best possible condition. This allows it to function efficiently and sustain high productivity state for a long period of time. Proactivity is fundamental to maintaining high wellness levels. This can be ensured through realizing the social, physical and mental needs required for the maintenance of highest functionality levels.

Employee wellness in the workplace is a campaign aimed at encouraging healthy activities. Any institutional policy designed for the purpose of encouraging healthy behaviors and enhanced health outcomes is employee wellness. Healthy employees will often yield positive results for the company (Mattke et al., 2013). An employee wellness program that is properly designed can assist in the reduction of stress levels, enhance morale and improve general productivity. Some of the employee benefits that come with wellness programs include reduced costs of healthcare as a result of informed healthy choices, reduced level of absenteeism and smart work choices (International Foundation of Employee Benefit Plans. & International Foundation of Employee Benefit Plans, 2006).

Wellness programs are programs executed by employers for the purpose of enhancing the health of employees. Effective wellness programs also assist employees in effectively dealing with issues related to their health (Griffin, 2016). Activities such as employee seminars, compulsory training programs or contracting a wellness program provider are some options employees can try out. Most often, employers will be willing to invest into the wellness and health of employees directly since these issues influence the level of profits and productivity at work.

## *Chapter 2*

# THE HISTORY OF EMPLOYEE WELLNESS PROGRAMS



Employee wellness history can be credited as kicking off with Bernardino Ramazzini, a physician from Italy who lived between the years 1633 and 1714. He is thought of as having written widely about the impact of workers' exposure to work or occupational diseases and deliberated on the precautionary measures that ought to be taken to mitigate the effects of work with the objective of enhancing the wellbeing of employees (Gainer, 2008). After about a century had passed, following the death of Ramazzini, many injuries and health problems occurred due to the reforms that systemized and reformulated work during the age of industrial revolution.

In the interest of assisting in the preservation of the wellbeing of workers, Robert Marcus in 1810 suggested that a workday should be 10 hours. After that in the year 1817, Robert Marcus recommended a radical measure where a day of work was to be 8 hours. The idea was to have 8 working hours, 8 recreation hours and 8 hours for rest (Donnachie, 2000). The ideals proposed by Robert Marcus were implemented in a number of organizations, one of which was Ford motors incorporation in the year 1914 (Chalmers, 2013). Charles Turner, in the year 1832, wrote the first documentation of the health issues faced by industrial workers (Gainer, 2008). Turner's books are widely considered the first work in the attempt to improve the wellbeing of employees. Turner noted that intemperance is the evil associated with an employer (Thackrah, 1831). The reasoning behind these utterances by Turner was the apparent disregard by employers of restraining and moderating the working conditions of employees.

The advent of assistance programs for employees in the year 1950 was preceded by enormous disregard of employee wellness. After that, organizations began to seriously consider wellness intervention programs for employees mainly focusing on mental health and alcoholism (Arthur, 2002). Serious employee wellness programs emerged only after the mid-70s. This was the period where financial responsibility on health-related matter shifted from the government to the workforce. In the interest of sustaining lower health costs, employee wellness was considered fundamental

(Reardon, 1998). The change was also associated with the workplace health advancement initiatives and occupational health and safety programs that advanced towards the end of the 1970s (Thygeson, 2010).

## *Chapter 3*

### THE RISE IN EMPLOYEE WELLNESS



Some of the reasons that led to the rise of employee wellness in the 70's were: a shift in the general culture that endorsed and encouraged fitness, the formation of health advancement units such as the American wellness council and the Washington business team for health, and the emergence of study results that concluded that unhealthy employee habits led to high-cost consequences for the organizations. A retirement security Act was established in 1974 putting employees' health and wellbeing at the center of employers' concerns. This act set the standards for uncensored healthcare and pensions in private organizations. They were aimed at offering protection for employees enrolled in the initiatives (Baicker et al., 2010).

Today, there are more employers offering better wellness programs compared to the past. In 2015 there were 1,977 decision makers in business sampled by the Aflac report on the workforce. Close to half of them indicated that their companies offer employee wellness programs. This was a growth from the previous 30% recorded in 2012. A similar trend was recorded by insurance brokers with around 53% of them indicating that they advocate for clients wellness programs (Small Business Editor, 2015). More businesses are embracing employee wellness programs. Research indicates that the efficiency of such programs is also increasing. More than half of the employers offering employee wellness programs believe their efficiency is high. This is a 7% growth from an initial 46% in 2014 to 53% in 2016 (Griffin, 2016).

## *Chapter 4*

# MAJOR COMPANIES THAT USE EMPLOYEE WELLNESS

1.

GOOGLE



Google has been praised for the employee benefits and the highly ranking wellness and health programs it avails for its employees. The internet company has gone an extra mile by keeping nurses, doctors, and medical services at employees' convenience. This allows the workforce to access medical attention as need arises. Google avails emergency and insurance services for traveling employees whether they are on duty or on a function.

Google seeks to achieve a balance between work and personal life of employees through the implementation of unique programs. Employees intending to advance their education qualify for tuition reimbursement while new parents are awarded bonuses. The benefits exist to ensure the level of sacrifice from employees is not overwhelming (Rothfeld, 2015).

## 2. HEWLETT PACKARD (HP)



The *National Business Group* cited HP as an iconic corporation devoted to advancing wellness and health of employees. An assessment of HP employees revealed that 79% of them believe that the management sincerely pays attention to their physical and mental wellbeing. HP has constructed 48 fitness amenities. The company also avails telecommunication services and allows flexibility in working hours for employees who double up as caretakers at home. The company also meets the physical and mental health needs of employees.

The power pink program rolled out by HP encouraged participants to learn about breast cancer and reach out to peers and relatives to take a mammogram examination to assess their condition. The company also launched a global wellness initiative aimed at promoting exercise and weight loss. The program attracted an excess of 54,000 employees globally (Total HR management, 2012).

### 3.

## INTERNATIONAL BUSINESS MACHINE (IBM)



The IBM compensation initiative for employees involved in healthy eating, exercise and completing the health risk questionnaires amounts to \$300. This is an incredible example of a comprehensive and enticing employee wellness program. A health survey of 18,000 participants was conducted by IBM. The results indicated that many people suffered obesity, hypertension, and high blood sugar. The company embarked on mechanisms aimed at preventing the diseases. Some of the initiatives implemented include access to health examination, financial incentives, fitness activities, and customized nutrition consultation.

IBM has spent \$25 million in ensuring a proper balance between work and life. This is especially so for employees engaged in caretaking responsibilities at home. These initiatives have won accolades for IBM. IBM is recognized as a corporation friendly to its employees (Rothfeld, 2015).

#### 4. AMERICAN EXPRESS



This is a company that has one of the most advanced employees' wellness programs. The effort has been recognized by the *National Business Organization on Health, American Heart Association*, and other entities. American Express has labeled the program healthy living. American Express employees working from Phoenix get dermatology, dental, and Medicare on site. Women also access free examination. The company has also partnered with farms locally to provide nutritious foods and offer lessons on how to prepare healthy meals. The company has also held safety and health fairs incorporating families where lessons on preventing injuries and diseases were offered (Total HR management, 2012).

## 5.

### DRAPER INC.



This Company was voted the healthiest place of work in the U.S. in the year 2014. Healthiest Employers LLC is the company that performed the analysis. Draper Inc. has placed itself as a leader in providing the necessary tools to employees for a healthy lifestyle. Draper Inc. launched a wellness center in 2008 beside its property. The center has volleyball courts, workout stations, and table tennis courts.

The company also prints monthly newsletters that contain 'wellness superheroes'. These superheroes are people named by peers as good examples of healthy living in the place of work. The company also has a weight loss program that runs for 10 weeks. In the program, participants compete with the intention of winning gift cards per week and the cash prize at the end of the competition process. Draper also holds health fairs annually, Zumba classes, walking competition and weight watch sessions (Total HR management, 2012).

## *Chapter 5*

# THE BENEFITS OF USING AN EMPLOYEE WELLNESS PROGRAM FOR EMPLOYERS



Healthier employees mean a stronger workforce. Employee wellness programs have the potential to strengthen staff comradeship, reduce the rate of work absenteeism, and increase in the level of productivity. A healthy workforce will spend lower amounts in insurance premiums. Employees with incredible health often weigh less and exercise more. Their productivity levels are higher and their level of engagement is exceptional. Good health will keep the employees longer on the job, enable them yield better outcomes, and increase their job satisfaction levels.

A satisfied workforce is less likely to change jobs. The reduced staff turnover means a consistent improvement of employees and hence enhanced productivity. With reduced absenteeism and lower stress levels, productivity will escalate. This can be translated into revenue and cash. Reduced healthcare expenditure is likely to yield an increase in productivity rates. The Return on Investment (ROI) can get to around 3:1 (David Anderson, 2013). The decline in healthcare expenditure as a result of better exercise, alleviation of conditions likely to yield explosive health expenditure and healthy eating could very well yield an ROI as high as 6:1 (Steven F. Cyboran, 2013). High premiums caused by higher health expenses are also reduced therefore alleviating unnecessary health expenses.

As earlier noted, a \$1 expenditure on wellness programs is likely to result to a medical cost reduction of around \$3.27. The costs related to absenteeism can be reduced by around \$2.73 with an expense of \$1 on wellness programs (Baicker et al., 2010).

The leader of *National Pharmacy Practice* and Segal Company Vice president, Mr. Sean Brandle says *“Plan sponsors are beginning to accept that in certain instances, wellness programs can produce health impacts on members that could lead to future lower costs”*. He continues to say *“The premise is that lower out-of-pocket costs will generate increased compliance with core drug therapies, lowering overall patient healthcare expenditures”*.

The challenge of an aging workforce presents unprecedented health challenges. It is in the interest of the employer to contain unhealthy behaviors and moderate expenses on healthcare. This can be achieved by investing in wellness programs. The return on investment on employee wellness programs is incredible.

The senior consultant and principal in management of total health specialty practice in Mercer consulting, Calif USA, Steven Noeldner asserts *“Employers can go only so far with cost shifting to employees; they now recognize there are other ways to address the healthcare cost challenges they’re facing”*. He emphasizes the importance of advocating for wellness activities by saying *“Wellness advocates serve to promote and perpetuate the services the program is offering”*.

With education and aggressive advocacy of the health and cost benefits of wellness programs both to the employers and employees, the cumulative return on wellness programs investment is higher than the cost expenditure.

## *Chapter 6*

# THE HEALTH BENEFITS OF WELLNESS PROGRAMS



There is a health risk associated with each worker. Some of the risks include unhealthy eating, smoking, drinking, failure to exercise and genetic problems. A wellness program can help deal with addiction and health issues effectively. A wellness program will enable the employee better deliver on their responsibilities and have more energy and vitality to offer themselves to friends and family once they are off work.

The employee wellness program can assist improve health even when it means acquiring knowledge on stress reduction and reduction in muscle strain during work hours. Some of the wellness programs offer weight loss programs assist in dealing with high cholesterol levels and hypertension. Wellness programs also save the participants money. Some motivation will work towards steering the employees and wellness programs may be the right medicine.

## *Chapter 7*

# THE BENEFITS OF AN EMPLOYEE WELLNESS PROGRAM FOR EMPLOYEES



Employee satisfaction is one of the most prolific benefits a wellness program brings in the workplace. Three out of four (75%) employees participating in wellness programs agree that the program enhances their satisfaction level. Compared to employees who do not participate in wellness programs, participating employees are better satisfied at work (59% of employees not participating in the program are satisfied at work unlike 70% satisfaction for those participating). Employees participating in wellness programs are also less likely to opt for new job opportunities within 12 months compared to the employees not participating (i.e. 46% compared to 52%) (Small business editor, 2015).

Healthy employees are likely to stick around. National research institute and Towers Watson conducted a research on health. According to the research, organizations having highly effective wellness initiatives record lower levels of voluntary turnover unlike those offering less effective wellness programs (i.e. 9% turnover against 15% turnover). SAS institute- a software company- has a 4% voluntary turnover rate. This is an improvement from the 19% turnover recorded in 2005 (Berry et al., 2010). The director of Baltimore compensation and benefits, Vicki Banks, indicates that all employees participating in the wellness program stay on. A finance education firm, Nelnet, inquires on the existing employees on what they feel they will miss the most from their company. Most of them say outright, the wellness program (Berry et al., 2010).

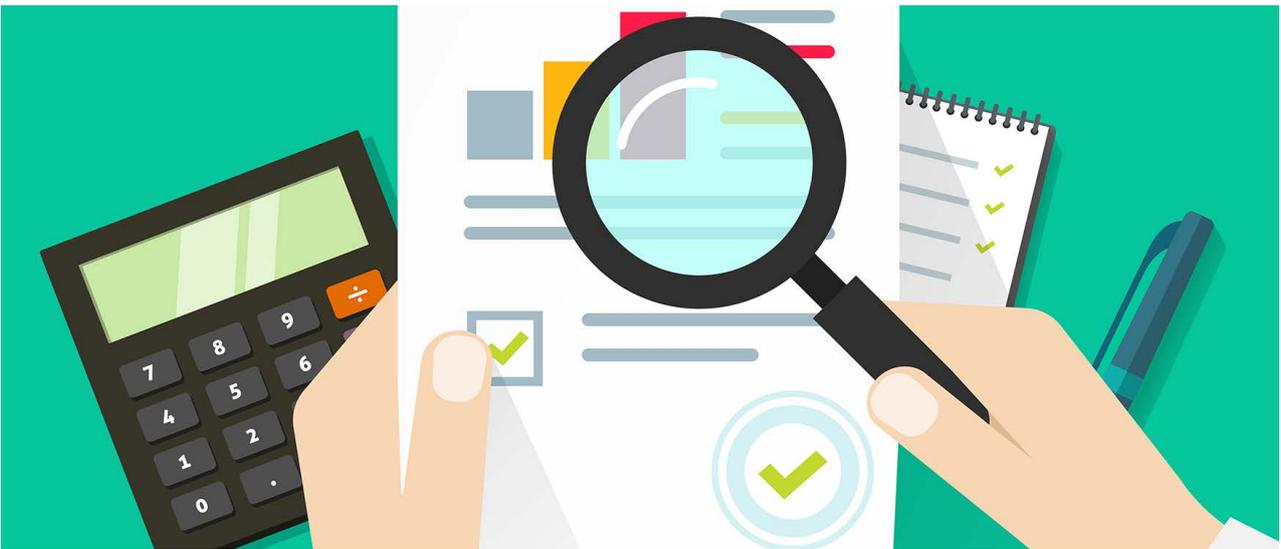
Stress can reduce the productivity levels of workers.

The NACS manager of the human resource, Karin Mayfield says *“During our annual meeting, it’s a high-stress level, but we tell people it’s good to work out that stress. If you have an active life and are eating healthy, it can only help you”*. In response to the benefits that employee wellness programs have on workers, Mayfield said, *“It benefits them in all different ways, including low insurance renewal rates. It keeps our costs in check and makes us a more productive and effective workforce. You wouldn’t believe how many people you see getting their tennis shoes on every day and going for a walk. We like the way it makes us feel and the way it makes us look. It’s a big part of our overall culture.”*

She continued to say that it is in her best interest to see the workforce succeed and be in good health.

## Chapter 8

### WHAT DOES THE RESEARCH TELL US OVERALL?



One of the most important lessons from this research is that health awareness is crucial to workforce success. As more and more companies are becoming aware of the importance of their employees' health and wellbeing, the more they are willing to invest into wellness programs. Employees may not be effective in managing their wellbeing often because of multitasking, lengthy working hours and high-stress levels from multiple duties both at work and at home. The time is simply not there. Employers have the duty to step in and develop innovative wellness programs for their employees. The workforce will greatly appreciate and benefit from the program.

Creativity is important. Wellness programs must not be boring. The wellness program ought to be dynamic and creatively unique. The consistent evolution of these programs over time will be good for a reassuring wellness program future. The human nature must be stimulated and challenged using different tactics and avenues that promote change. The wellness program must be fashioned to capture the latest tendencies. One of the ways this could be achieved is by hiring a wellness program leader that bears direct responsibility for all wellness activities.

The SAS director, Jack Poll says, *“Our high participation rates are because, when we opened, we thought of all the reasons people wouldn’t use the facility and we worked to eliminate every one of them.”* SAS has achieved record levels in employee participation in wellness programs courtesy of the creativity and innovation driven into their wellness programs.

Wellness programs help combat excessive healthcare expenditure. The cost of healthcare is increasing tremendously each year. Employers are, therefore, unable to bear the entire health costs. They are forced to transfer the cost to employees. This increases the number of deductibles for employees (Entrepreneurs, 2013). A healthier workforce could, however, assist in the checking the bottom line. Employers introducing lower contributions based on participation in wellness programs are actually encouraging and promoting a healthier workforce.

The research also tells us that most chronic illnesses and costly diseases in the workforce can actually be prevented. The center for disease control and prevention indicated that 75% of total costs of healthcare are due to chronic diseases (Rashmita Basu et al, 2015). These diseases are also among the most preventable. These include obesity, cancer, stroke, and heart disease. Actionable measures must be introduced to alleviate the risk and cost associated with these diseases. Behavior change is not instantaneous, especially where habits have been developed over many years. The success of wellness programs depends on social, emotional, and mental commitment. This can be achieved through continuous education and high accountability levels.

The strategies employed behind wellness programs dictate their success or failure. Both medium term and long term measures must be implemented. Adequate support, commitment, and proper leadership must be felt from the employer, employees and the vendors. A successful wellness culture consumes time to achieve. The program has to evolve to the level where it becomes acceptable as the culture of a company. Wellness success is never a single solution (Entrepreneurs, 2013). It is a combination of many successes working together as a single wellness strategy. The solutions incorporate education, incentives, physical activity and extended commitment levels over a long period of time.

## *Chapter 9*

### **EMPLOYEE WELLNESS PROGRAM IDEAS**



There are about 69% of employees willing to take part in wellness programs whenever provided by the employer (Tillman, 2016). This is an indication that employees are genuinely interested in the effort put forward by the employer. It is important, however, for employees to understand that a successful wellness program is entirely dependent on dedication and participation level coming from employees.

It is important for employees to be educated on the insurance benefit of lower premiums gained by participating in wellness programs. Other than offering the conventional incentives for membership in the gym, the employer should introduce the health examination procedure to assess employees' health status. These tests may include tests on cholesterol

level for glucose and lipid panel, tests on the level of blood glucose, blood pressure test, BMI (Body Mass Index) test and weight checks. In order to receive insurance premium benefits on health, employees should be required to undergo and pass these tests. For the employees failing the test, they should be advised to participate in the employee wellness program. Until such a time that the employees achieve the expected health screening results, such as an appropriate BMI and the appropriate biometric measures, they should not be eligible for health insurance discounts.

It is widely acceptable among the employees that radical measures, such as the one proposed herein, are important for the purpose of promoting wellness among the workforce. Among the workforce, 65% consents to the fact that benefits such as incentives and reduced premiums should be employed as a means of encouraging workers to become healthier. Participating in wellness programs is the appropriate avenue to secure these benefits. About 24% of employers in the American workforce offer incentives aimed at encouraging healthy lifestyles. Employees choosing not to practice healthy lifestyles are penalized by 12% of the employers (Tillman, 2016). These penalties often apply for employees failing to take wellness screening tests. In the interest of achieving building employees' interest in the wellness programs, the employer must come up with innovative ideas. Wellness programs must be seen not as a punishment but as a way of building the health and well-being of employees.

## *Conclusion*

A healthy wellness program should not be limited to the conventional gym membership with incentives or the employee teambuilding leagues. The wellness programs must be wholesome including all the fundamental lifestyle areas of employees. Healthy workplace environment, management of stress, financial management, and proper eating habits must be made a part of the wellness program. For a successful and effective wellness program, the leadership in the company must inject a lot of effort and be persistently relentless in building a healthy workforce. Proactive management of employees' health is fundamental. Research has proven that financial value is accrued once employers invest in employee wellness (Baicker et al., 2010).

The goodwill generated from companies offering wellness programs is high. This is especially so with companies demonstrating a genuine intent on maintaining the health and wellbeing of the workforce. The bottom line of a company is also affected by the wellness programs. Wellness programs are indeed the most important avenue through which the workforce can remain healthy, satisfied and highly productive.

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