

HUMAN RESOURCE MANAGEMENT

How to Design a Corporate Wellness Plan That Actually Works

by Hector De La Torre and Ron Goetzel, Ph.D.

MARCH 31, 2016



Lately, there's been some debate about whether workplace health promotion programs, more commonly known as wellness programs, work. To us, it's similar to asking whether reviews, training programs, employee assistance services, or other company initiatives are

effective for both worker performance and the bottom line. The honest answer is that some are successful while others fail. And most of the time this comes down to how they're designed and executed.

So how do you create an evidence-based health promotion program that *does* work? And what can employers do to avoid common pitfalls that lead to ineffective and, in worse case scenarios, harmful initiatives?

To tackle these questions, our respective organizations (the Transamerica Center for Health Studies and the Institute for Health and Productivity Studies at the Johns Hopkins Bloomberg School of Public Health) prepared a report, "From Evidence to Practice: Workplace Wellness that Works." It offers practical advice to employers, large and small, based on the latest research on workplace programs, expert advice from practitioners and candid interviews with business leaders.

One of the biggest lessons we learned in the process of creating the report is one-time events masquerading as health promotion programs - that is, activities not integrated into a comprehensive workplace health promotion strategy - are likely to fail. And there are five common ways these solitary initiatives tend to pop up in companies.

Administering health risk assessments only. Health assessments typically involve asking employees questions about modifiable risks, such as smoking behavior, physical inactivity, poor diet, and high stress levels. Oftentimes, these surveys are coupled with biometric screenings of blood pressure, cholesterol, height/weight, and blood glucose levels. But providing feedback reports that remind employees that smoking, not exercising, or being overweight is unhealthy does not motivate change unless workers are given the tools and resources to actually change and track their behaviors.

Undoing decades of poor health habits won't be achieved by asking employees to complete a 15-minute questionnaire. And for otherwise healthy employees, frequent biometric screening is often unnecessary, and from a clinical standpoint may do more harm than good because follow-up treatments can be unnecessary and costly.

Paying people to change their habits. While financial incentive programs are popular, they may not achieve long-term behavior change; instead, they may lead to resentment and even rebellion among workers. This is because many traditional incentive programs are grounded on the assumption that people will behave in certain rational ways if paid to do so. Behavioral economics tells us otherwise: Sometimes people do things that are irrational and even counter to their best interests. Individuals may not focus on long-term benefits of a given action when a short-term reward (for example smoking a cigarette, consuming a large pizza, or spending hours watching television) is more appealing.

While there is some evidence that incentives work in specific instances for a small subset of workers, there is little research on the use of financial incentives in achieving long-term lifestyle changes like losing weight and not regaining it.

Sending people to your health plan's website. Surprisingly (at least to us), many employers think they've offered a wellness program if they direct their employees to a website made available by their insurer. These under-the-radar programs do not improve population health unless they are part of a broader comprehensive health promotion program that offers many ways to become engaged.

Introducing short-term campaigns. *Biggest Loser*-themed events or pedometer challenges are random acts of wellness and are not very effective. In fact, they may even do more harm than good by promoting quick fixes as opposed to long-term progress.

Hiring a vendor to "fix" unhealthy employees. Employers sometimes hire outsiders and call it a day. Worse yet, they'll sometimes hire different vendors to address different issues - lifestyle coaches, employee assistance counselors, case and disease management vendors,

nurse lines, occupational health and safety experts, workers' compensation specialists, disability managers, organizational development consultants, you name it. When hired independently, these vendors often work in silos, which can result in overlapping or duplicated work. In addition, relying on outside entities to attend to organizational needs may not get at the root of a systematic problem.

So what does? We've identified five approaches that, while comparatively difficult, can actually change the health and lives of employees for the better.

Leadership commitment and support. A successful health promotion program starts with a commitment from company leaders, and its continued success depends on ongoing support at all levels of the organization. In particular, leaders at companies with successful programs establish a healthy work environment by integrating health into the organization's overall vision and purpose. At Lincoln Industries, a manufacturer and distributor of trucking accessories, promoting workers' health and well-being is embedded in the company's core mission and values. Senior leaders not only speak of its importance to the organization's success, they lead by example.

Building a culture of health. A healthy company culture is built intentionally. It is first and foremost about creating a way of life in the workplace that integrates a total health model into every aspect of business practice, from company policies to everyday work activities. By "total health" we mean a culture that's supportive of career, emotional, financial, physical and social well-being - not just an occasional road race. Examples include offering flexible work schedules, giving workers latitude in decision-making, setting reasonable health goals, providing social support, enforcing health-promoting policies and establishing a healthy physical environment (healthy food offerings, staircases instead of elevators, walking trails in and outside buildings and treadmill workstations).

This, of course, takes time and support. A company like Dow Chemical is a success story in this way. The company has promoted a culture of health for more than 30 years, with countless peer-reviewed studies showing that employees' health has improved and company costs have been contained.

Asking for help. A workplace health promotion program cannot be imposed on workers as yet another management cost-containment initiative. Boosting engagement in wellness can only be achieved when workers own the program, understand how they and the company benefit, and are given a meaningful voice in its ongoing operation.

There are a few simple ways to start doing this. The most common approach is to conduct regular surveys or focus groups to determine which aspects of health and wellness are important to employees, and which initiatives are not a good use of time. Honest Tea discovered that employees were not interested in yoga sessions offered by the company and instead began a series of vigorous workouts that many of its younger workers wanted. Now participation exceeds 50% since this change and has helped workers become more actively engaged in the company's wellness program.

Another approach is creating and supporting wellness committees. These groups of employees can be given a budget to come up with initiatives supported by their co-workers. Lastly, it may also be worth involving spouses or other family members who can help build a broader web of social support.

Spreading the word. Strategic communication leads to greater engagement in employee wellness programs. This boils down to getting clear messages out to workers: *this is what the program entails, here is how it works, here's what's in it for you, and here are ways to get involved.* This can help overcome some of the top barriers to program participation and success: lack of awareness, lack of interest and suspicions about employers' motivations.

These communications must be frequent, varied in content, multi-channel, and tailored to the target audience so that it doesn't fade into background noise.

For example, USAA describes its communications with workers as relentless and surround sound. Wherever employees turn, they are reminded that the company cares about their health and wants to support their efforts. The messages are clear - this program is there to serve you, your family and our customers, whom rely on you to be positive, healthy and performing at a high level.

Offering smart incentives. As we've already noted, simply paying people to change life-long habits may not work. However, there is strong evidence that proper incentives drive participation rates, keep employees engaged and motivated to begin efforts to achieve self-determined health goals.

The challenge is to migrate employees from simply participating for a reward (external incentive) to a place where the new behavior or habit is sufficiently satisfying and worth maintaining (internal incentive), such as taking a walk daily while listening to music or a favorite podcast. At NextJump, teams participate in a weekly Fitness Challenge where virtual cash rewards for the winning teams are coupled with bragging rights, creating camaraderie and social cohesion among workers. The company has found that motivating employees to fit in a workout during the workday gives them more productive energy and is helping drive better performance. Employees feel good, are happier, establish close partnerships with their office mates, and at the end of the day find work fun and personally rewarding.

Measuring the right things. Program evaluation is critical to maintaining accountability for a wellness program. To do this well, develop an evaluation plan at the start of a program so that useful baseline data collection can occur and be monitored over time.

So what should you measure? There are generally two answers: return on investment (ROI) and value of investment (VOI). ROI in this context is generally limited to examining the tangible benefits of a program, such as a reduction in medical costs or absenteeism.

Fortunately, a robust scientific literature review supports the conclusion that well-designed and well-executed programs can produce a positive ROI along with significant improvements in population health.

Johnson & Johnson, for example, has published dozens of studies in academic journals over the past three decades showing its wellness and prevention programs have improved employees' health, saved the company millions of dollars and enhanced workers' productivity - something they could only conclude after the smart collection and analysis of data.

In our view, ROI in isolation fails to capture the full benefit of workplace health promotion. VOI calculations, on the other hand, allow employers to examine the broader impact of programs and their impact on core priorities for their organization, which may include improved employee morale, talent attraction and retention, enhanced company loyalty and heightened customer loyalty.

There are a lot of misconceptions about wellness programs out there. As a result, many leaders pick and choose options fairly blindly, doing their employees and their company a disservice. In the end, you don't necessarily need the latest wearable or a new vendor. To achieve very real health improvement at the workplace, employers should first understand what the evidence says about what works, and then weave together individual health promotion programs with organizational change interventions that build on and support a healthy company culture. This isn't always easy. But the rewards can be huge, both for your company and for your employees for years to come.

Hector De La Torre is the executive director of the Transamerica Center for Health Studies, a national nonprofit, private foundation and division of the Transamerica Institute. Through broad-based analysis and research findings, the center helps consumers and employers navigate the financial implications of the health care decisions they are facing today.

Ron Goetzel, Ph.D., is senior scientist and director of the Institute for Health and Productivity Studies (IHPS), a collaborative established between the Johns Hopkins Bloomberg School of Public Health and Truven Health Analytics. IHPS conducts empirical research on the relationship between employee health and well-being, health care utilization and costs, and work-related productivity.

This article is about HUMAN RESOURCE MANAGEMENT

 FOLLOW THIS TOPIC

Related Topics: ORGANIZATIONAL CULTURE | HEALTH

Comments

Leave a Comment

POST

7 COMMENTS

Mitch Collins 16 days ago

Both authors know that there is not "some debate." The matter of ROI has been put to bed decisively. Dr. Goetzel has admitted that there are very few programs with a positive ROI, and the negative effects-lying, cynicism, dis-engagement, over-screening and overtreatment-are rarely mentioned. This article makes some good points and recognizes how poorly most programs and implemented. Most other industries that operated this way would be out of business by now; wellness lives on not because it works but because of poorly conceived ACA subsidies.

REPLY

  

 [JOIN THE CONVERSATION](#)

POSTING GUIDELINES

We hope the conversations that take place on HBR.org will be energetic, constructive, and thought-provoking. To comment, readers must sign in or register. And to ensure the quality of the discussion, our moderating team will review all comments and may edit them for clarity, length, and relevance. Comments that are overly promotional, mean-spirited, or off-topic may be deleted per the moderators' judgment. All postings become the property of Harvard Business Publishing.