ENGAGING IN A WALKING MEETING instead of meeting in a conference room; TAKING A YOGA CLASS during the middle of the work day; BUYING FRESH PRODUCE at the farmer’s market that is set up in your office parking lot. These scenarios are not the stuff of imagination, but actual components of some corporate wellness programs—those employer-sponsored services designed to improve the health and well being of employees.

Workplace wellness programs have evolved in waves. In the 1960s and 1970s, wellness-oriented large corporations built expensive employee fitness centers. In the 1980s and 1990s, companies began to offer personalized health risk assessments using biometrics and other health indicators. Smoking cessation, stress management and nutrition programs were designed to help employees reduce health risks.

"Pioneering companies such as Steelcase, Chrysler, DuPont and others originally grounded wellness in safety and occupational injury prevention. It has evolved more holistically in the last several decades to be seen as a total population health improvement strategy that impacts physical injuries, absenteeism, productivity and of course, healthcare cost increases," said Dr. Tyler Cooper (BBA ’94), chief executive officer of Cooper Aerobics Enterprises, Inc., a wellness forerunner.

With the dawn of a new century, wellness programs have entered a third wave that looks at both health and productivity. Programs are more holistic in nature, focusing on not only physical health but also emotional, mental and spiritual health. Today, approximately 70 percent of companies have some form of a wellness program while 90 to 95 percent of large corporations offer programs that look at employee well being.

Dr. Ann Mirabito, associate professor of Marketing at Baylor’s Hankamer School of Business, is a recognized scholar on workplace wellness programs.
“Wellness programs come in wide ranges. Some are narrow and offer services such as flu shots and gym passes and others are more comprehensive and look at the needs and desires of the employees. These are much more data driven,” she said.

No matter the scale of the program, Mirabito said, successful wellness programs share a number of characteristics.

Foremost, wellness programs enjoy strong leadership. Top managers are engaged and personally committed to wellness, and also have genuine concern about their employees’ health. Mirabito points to John Mendelsohn, past president of MD Anderson Cancer Center, who worked to get employees by asking the state of their wellness.

“These leaders are not engaged in wellness only because they think, instead they want to offer the benefit of good health to their employees. The best companies create a culture of health,” Mirabito said.

Secondly, these programs are comprehensive in scope and convenient for employees. Many wellness-oriented companies redesign their employee cafeterias to offer more nutritious – but still tasty – meals. They also make fitness opportunities easily accessible. MD Anderson stations elliptical machines around its buildings. Employees can use them anytime of day, even if they can spare only a few minutes for fitness.

High-quality programs are not necessarily costly ones. Companies with successful programs have learned to leverage partnerships both internally and with outside vendors to provide essential components of the programs.

Communication is key to a successful program. How employees find out about the programming and from whom who can make all the difference. Mirabito said wellness information must be delivered at the right time and in the right way in order to engage employees.

Robust programs feature a network of employees who act as wellness ambassadors and encourage their colleagues to participate. “We have found that people like to be invited by people. They are more likely to participate in response to personal invitations,” Mirabito said.

“Hands-on health improvement programs that work with the highest risk population can be expensive, but can also mean big savings down the road in productivity and healthcare costs," he said. Employers can determine the return on their investment by looking beyond dollars and cents. High levels of program engagement (from 50 to 80 plus percent) and employee improvement in overall population health risks and employee satisfaction are commonly used to define success. "If engagement is high and the overall employee health score is improving, then the cost will take care of itself," Cooper said. "Many companies only focus on the financial ROI [return on investment] and not enough on the more significant impacts of having healthy employees. Healthier employees will improve absenteeism and productivity. These factors represent approximately 75 percent of the overall impact of an unhealthy workforce."

Following this advice, even the smallest business can maintain meaningful wellness programs. The startup considerations are the same – strong leadership and effective communication. In fact, Cooper said lack of leadership and under-communicating what is available can make wellness programs unworkable.

"Unworkable programs also are ones that programs are too narrow and options with the hope that everyone will participate sooner or later. Companies should focus and spend more on what works," he said.

Cooper cites Devon Energy out of Oklahoma City, they opened an employee lunch seminars, walking clubs, focused on annual health risk screenings, stairwell (climbing) campaigns and company-wide wellness contests as examples of programming that works. That help employees achieve their personal goals.

Both Mirabito and Cooper see wellness programs extending the line into employees’ personal lives. Others contend that ROI gains come from shifting healthcare costs onto less healthy employees. Mirabito urged employers to take care of their own employees.

"If engagement is high and the overall employee health score is improving, then the cost will take care of itself," Cooper said. “At the end of the second year, the groups actuarially estimated a 5.1 cost benefit ratio. Estimates were based on absenteeism trends in cohort population of employees who were engaged in the program for the full two-year period.”

"Workplace wellness is not a ‘fringe’ idea. Wellness is a big social movement. Many progressive companies are tapping into the movement to help their employees build healthy and satisfying lives," she said.

The second ACA implication is the restrictions on health insurance carriers to focus more of their administration fees on wellness services for their clients. This has created a resurgence of technology enhancements to carrier programs as well as an increase of covered services for plan holders,” he said.

According to Cooper, one of the hottest topics in wellness is “outcome-based” programming that use incentives and penalties for changes in health, rather than simply participating in health events.

“The biggest evolution is away from trinket prizes, time off and gift cards for participation and toward the use of lower/higher medical premiums as incentives. This has been the ‘carrot or stick’ discussion amongst employers and is widely debated,” he said.

“ Wellness has moved from just doing stuff to changing stuff as we continue to face an ever-unhealthier population. Wellness programs incorporate consulting, leadership and cultural changes that lead to healthier habits for employees. Employers will continue to push the envelope to promote employee accountability for their own health and the impact that it has on the business’ bottom line,”

Mirabito said wellness appeals to older workers and to the millennial generation, which has a much more holistic view of health.

“Workplace wellness is not a fringe idea. Wellness is a big social movement. Many progressive companies are tapping into the movement to help their employees build healthy and satisfying lives,” he said.

If engagement is high and the overall employee health score is improving, then the cost will take care of itself.

Wellness programs have attracted their share of criticism. Some critics argue workplace wellness programs cross the line into employees’ personal lives. Others contend that ROI gains come from shifting healthcare costs onto less healthy employees. Mirabito agreed there is a potential for abuse.

"It comes back to the corporate leader," she added, “The best companies respect employees’ dignity and after programs that help employees achieve their personal goals.

Both Mirabito and Cooper see wellness programs extending the line into employees’ personal lives. Others contend that ROI gains come from shifting healthcare costs onto less healthy employees. Mirabito agreed there is a potential for abuse.

According to Cooper, Devon also tracked the health of its entire workforce and found that more than 80 percent used wellness services within the year. That led to improvement in health in all clinical areas and saved the company more than $2.5 million on their medical premium renewal.

“Unlike Devon, Network Engines is a small employer with less than 150 employees. Their wellness strategy focused on annual health risk screenings, employee lunch seminars, walking clubs, relaxation training and department challenges. Employees were provided with a medical premium discount for participating in each activity,” Cooper said. "At the end of the second year, the groups actuarially estimated a 5.1 cost benefit ratio. Estimates were based on absenteeism trends in cohort population of employees who were engaged in the program for the full two-year period.”