



The “Value” of Corporate Wellness

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Return on Investment (ROI) is a popular business term used to describe the financial return received on any given financial investment. When it comes to wellness, ROI often measures the return as it relates to reduced healthcare costs.

3:1

If you want a quick ROI, you should focus on modifying your medical benefits plan and reimbursement structure.

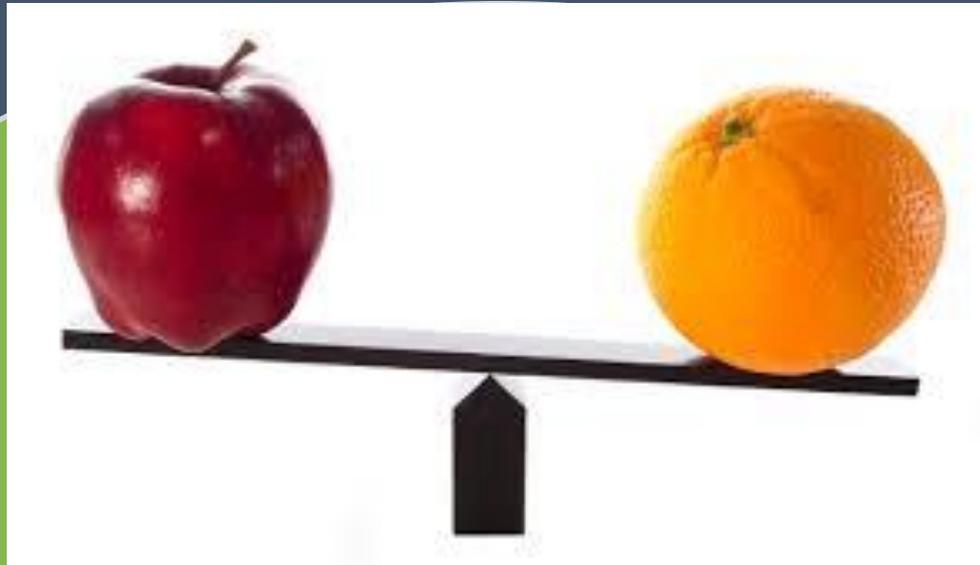
- Total employee platform
- Participation





How much does an employer need to invest per employee to really be confident they should see some type of ROI?





Value on Investment (VOI) is a term increasingly popular in the employee wellness space. VOI includes the financial return, but also takes into account more abstract value that is received from that investment.

Employers take into account employee morale, decreased use of sick days, increased productivity, positivity and talent retention.

What are you hoping to achieve?

Today, there is a movement underway to build a broader business case and performance story for health management

VOI

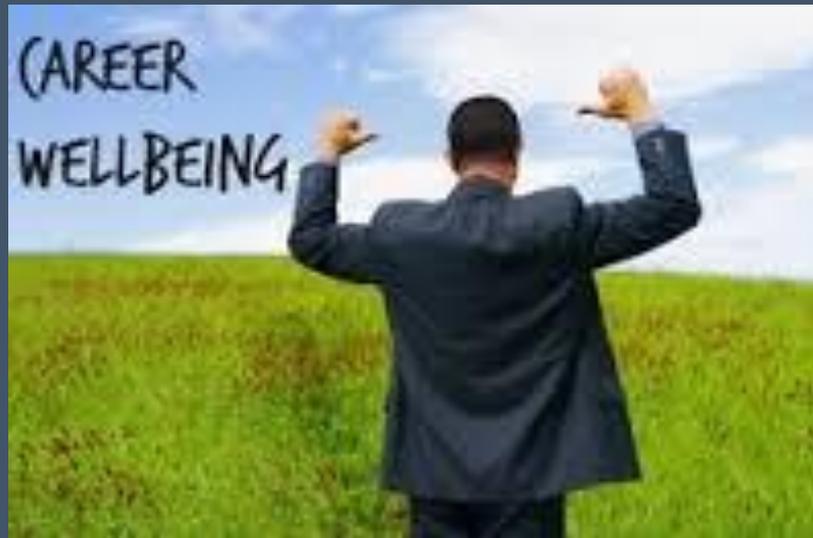
Value On Investment

It is more critical than ever that we are able to communicate the true value of the programs and services we provide.



Determine the **2** or **3** metrics in each element that will be most meaningful for understanding the current and evolving state of wellbeing at your company and whether you are moving in the right direction.





Metrics should reflect if people like what they do at work each day and if they have a sense of purpose. Some examples include:

- Survey results
- Turnover
- Employee referrals
- % of employees taking advantage of training opportunities
- Job mobility within the company (*percentage of employees being promoted or moving laterally to new positions*)



The quality of relationships people have in their lives. Some examples include:

- Forfeited or unused paid time off balances at the end of the year
- Self-report satisfaction via employee survey
- Participation at company-sponsored events and activities



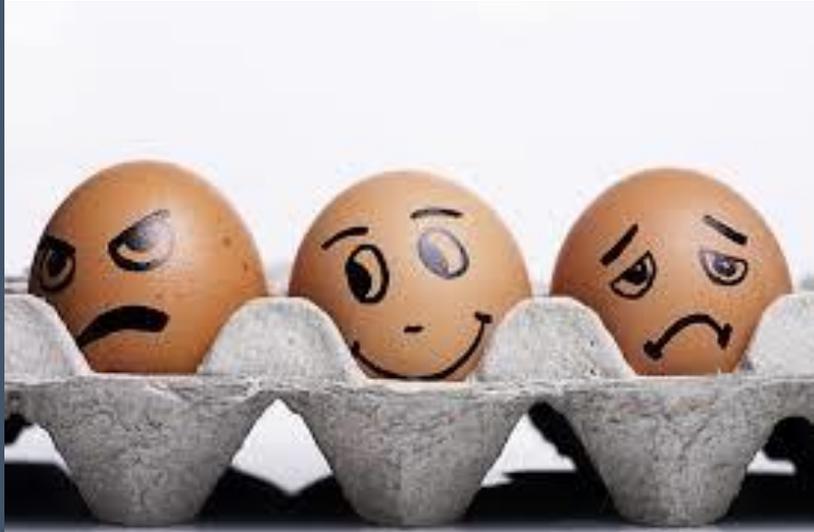
Has more to do with feeling financially secure than making a lot of money.
Some examples include:

- Percentage of employees contributing to retirement plans
- Average percentage of pay employees contribute to their retirement plans
- Number of loans or early withdrawals against the plan
- Self-report satisfaction via employee survey

What contributes to good physical health and having enough physical energy to get important things done each day? Some examples include:

- Lifestyle-related medical claims
- Musculoskeletal-related Workers' Compensation claims
- Average sick days
- Self-report satisfaction via employee survey





Emotional Wellbeing reflect a good sense of resiliency and work-life balance and having enough mental energy to get important things done each day.

- Mental health-related medical and disability claims
- Antidepressant and anti-anxiety prescriptions
- Self-report satisfaction via employee survey
- Stress and burnout

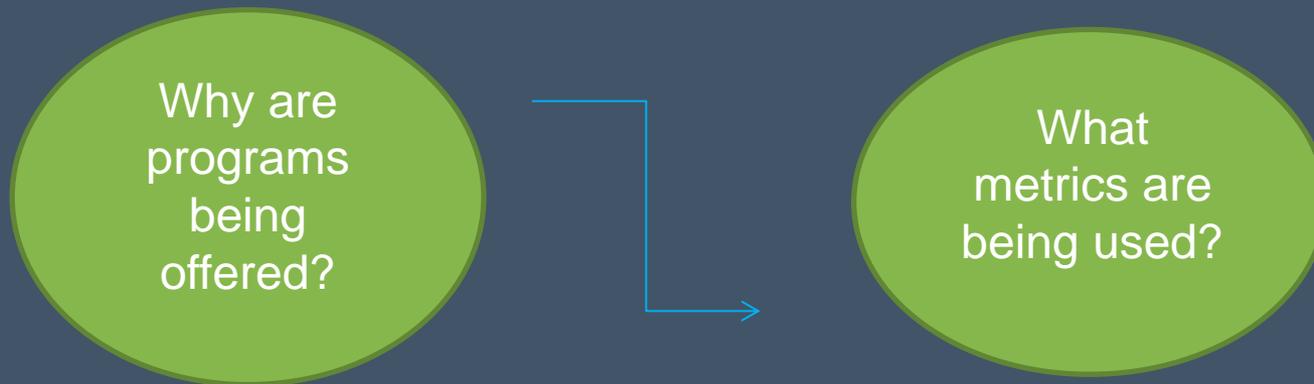


How connected people feel to the community in which they live. Some possible metrics:

- Percentage of employees taking advantage of volunteer time-off benefits
- Percentage of employees participating in charitable giving campaigns offered by the organization
- Self-report satisfaction via employee survey

STUDY

Are employers offering health & wellness programs for reasons beyond health care cost savings?



To reduce employee health risks

of sick days

To improve
employee job
satisfaction

To attract or retain talented employees

To manage/reduce disability claims

To improve employee productivity

To reduce the #

To manage or reduce health care costs

TO IMPROVE EMPLOYEE MORALE

To improve employee energy levels at work

TO IMPROVE EMPLOYEE DAILY HEALTH DECISIONS AT WORK

To increase
on-the-job safety

TO IMPACT BUSINESS PERFORMANCE METRICS AND PROFITABILITY

To improve co-worker relationships/build comradery

To reduce presenteeism



- More than 90% of respondents had 3,000 + employees
 - All were involved in decision making
 - Nearly 90% were director level and above
- Represented industries: manufacturing, health care, retail, professional/technical and financial/insurance

Insight #1



91% of employers
report offering health
and wellness
programs for reasons
beyond medical cost
savings

3 Primary Reasons





Senior leadership versus managers

- Senior leadership focused on improving employee daily health decisions
- Managers/directors, on the other hand, placed greater importance on reducing health care costs, disability claims and sick days.

As a result do we gain stronger leadership support if we design a program to have a broader set of metrics to demonstrate the value of the programs ?

Industry Perspective



Manufacturing valued days absent more often than any other industry



Health care, retail and professional/technical employers value health risk reduction the most



Manufacturers and financial/insurance employers valued health care costs savings more than others.



Finance employers placed more importance on productivity than others



Healthcare employers place more importance on daily health decisions than others

Insight #2

Overall 42% of employers report they are able to demonstrate the value of their platform



Participation



Program Satisfaction



Health Risk



Healthcare Costs

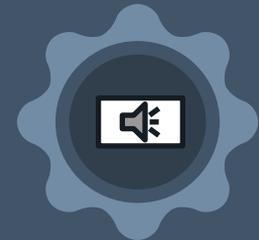


Job Satisfaction



Days Absent

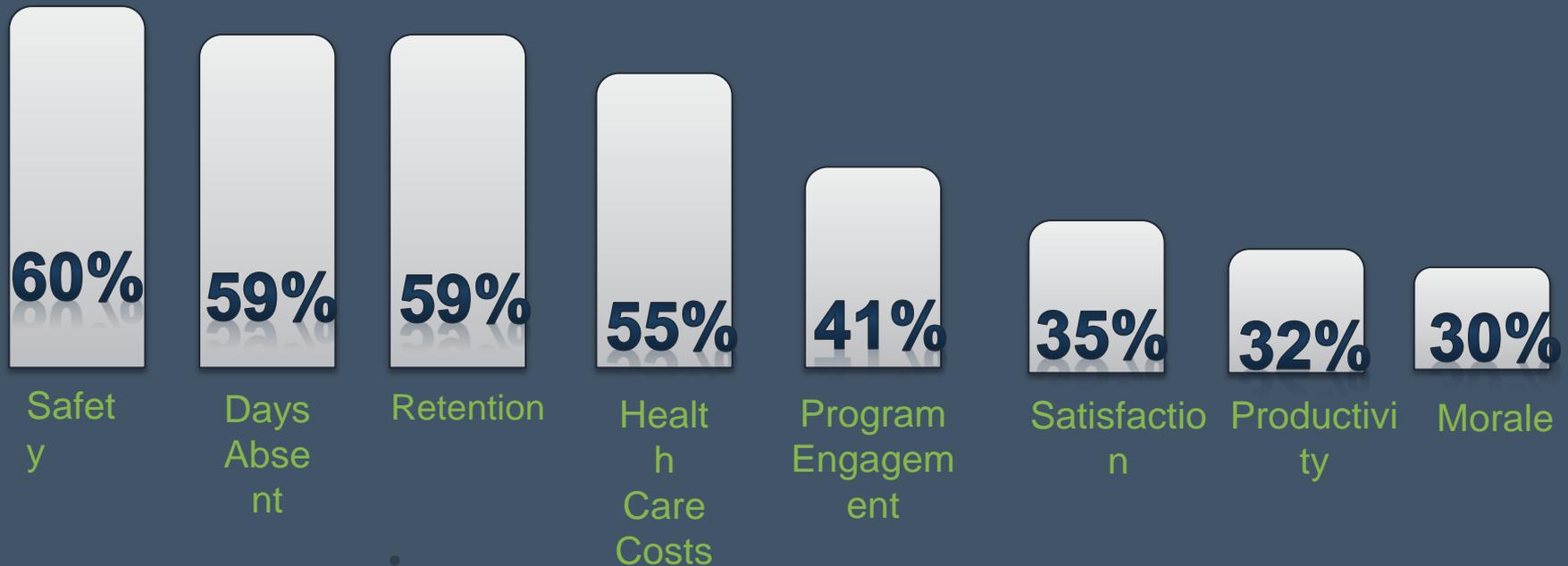
Only 34% of employers track productivity



Safety

Insight #3

1/3 of employers have the metrics needed to justify their program investments



Call-To-Action:



Figure out
your why?



Identify the metrics
you need and go
beyond ROI to build
your VOI story



Measure the
impact of your
programs on
your key metrics

Compile
findings



The bottom line moving forward is that while it is possible that VOI is an improvement over ROI, we are going to need to continue to obtain research to make that determination.

Given all the potential problems with substituting one metric for the other, we suggest this broader, more holistic and highly customizable approach might make more sense for determining the actual value of your programs

Questions?

Live for
the moment