

# Wellness

## A Strategic Business Advantage

Your workforce is your greatest asset and the health of that workforce has a direct impact on your workplace environment, your corporate culture, and your bottom line.



**Businesses of all sizes can take control of health care cost, sick time, and employee retention through creating a culture of wellness.**

As a business owner, the one thing that can differentiate you from your competition is the talent and productivity of your work force. The outdated model of reactive health care is rapidly changing to a proactive wellness model in the world of rising medical cost. Your workforce is your greatest asset and the health of that workforce has a direct impact on your workplace environment and your bottom line. The health of your personnel and the morale and retention of your employees are interrelated and all contribute to the success of your business.

The cost of health care has a major impact on every business. Employers see this first hand with higher premiums and lower performance output. Employees that are not healthy have lower levels of productivity and higher health cost. Creating a culture that focuses on the overall wellness of your employees is key to lowering absenteeism and increasing productivity.

Investing in a wellness program is a tactical investment to strengthen current employees and a strategic investment for the company's future.

**“People in disengaged workgroups are nearly twice as likely to be diagnosed with depression, have higher stress levels and are at greater risk for heart disease.”**

Source: Rath and Harter, The Economics of Wellbeing, 7.

### Keys to Success

#### Organizational Culture

Leadership produces a setting in which successful choices are encouraged through available resources.

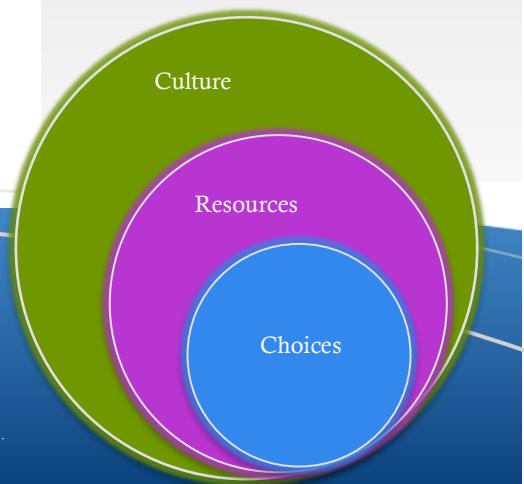
#### Resources

Readily available provisions that will maximize the potential for positive individual health and wellness.

#### Individual Choices

Culture and resources assist each individual team member in making the right choice for long-term wellness.

Bell, Ted. One Wellness Program Doesn't Fit All Businesses. Kansas City Business Journal. 2007 June 15.



# Employees are Your Greatest Asset

This success of your business all starts with how effectively you can recruit and retain talent. In today's market, a company's health and wellness program is a determining factor for potential employees when choosing an employer. Research has shown a strong connection between good health and its positive effect on a company's business.

The World Economic Forum has documented the results of having a healthy workforce. Their collective study was done with 28,810 respondents from 15 different countries. Each respondent worked for an organization that employed more than 50 people. The results found that "globally, when wellness is actively promoted in the workplace, organizations are viewed as being 2.5 times more likely to be regarded as a best performer than as a below average performer."<sup>1</sup> This means that workers are actively seeking a company that puts an emphasis on the wellbeing of their employees.

The focus on promoting wellness has immediate results for the company. Research shows that participation in a wellness program was associated with increased job satisfaction.<sup>2</sup> Employees return that satisfaction to the employer through dedication to their job responsibilities and have higher production rates. "Because they enjoy what they do on a daily basis, those with high well-being get more done."<sup>3</sup>

Turnover rates are expensive and the benefits of implementing a health and wellness program are long lasting when it comes to employee retention. "A company is four times less likely to experience a loss in talented workers in the next year if employees are satisfied with wellness promotion."<sup>4</sup> Additionally, when employees experience an emphasis on a wellness program it can create a deep and lasting bond.<sup>5</sup> At least 64 percent of those workers, who are satisfied with health promotion in the workplace, plan to stay a minimum of five years at that company.<sup>6</sup>

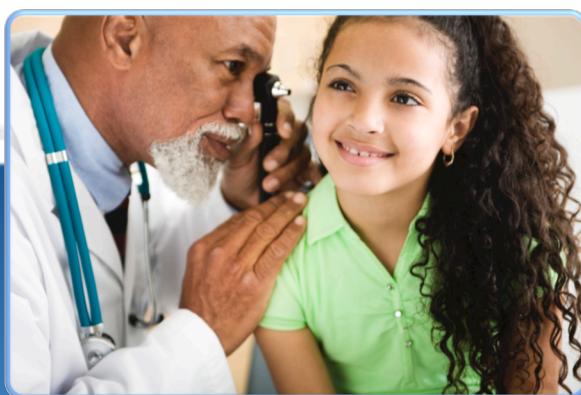
1. World Economic Forum, "The Wellness Imperative: Creating More Effective Organizations," 6. 2. Parks and Steelman, "Organization Wellness Programs: A Meta-Analysis," 64. 3. Rath and Harter, "The Economics of Wellbeing," 7. 4. World Economic Forum, The Wellness Imperative: Creating More Effective Organizations, 8. 5. Berry, L.L., Mirabito, A.M., Baun, W.B., Harvard Business Review, "What's the Hard Return on Employee Wellness Programs?" 6. World Economic Forum, The Wellness Imperative: Creating More Effective Organizations, 8.



## According to Employees, when Health and Wellness are Promoted...

- Organizations are 2.5 times more likely to be a best performer
- Organizations are seen as 3 times more likely to be productive
- Employees are 8 times more likely to be engaged
- Organizations are seen as 3.5 more likely to encourage creativity and innovation
- Organizations are 4 times less likely to lose talent within the next year

- World Economic Forum  
The Wellness Imperative: Creating More Effective Organizations



# HEALTHIER EMPLOYEES RESULT IN A HEALTHIER BALANCE SHEET

Chronic disease is a company's number one enemy. Approximately 75 percent of the total spending of U.S. health care is due to people with lifestyle-related chronic diseases.<sup>7</sup> Most chronic diseases are related to four main health risks — the use of tobacco, the excessive consumption of alcohol, poor diet, and lack of exercise — all of which are preventable.<sup>8</sup> Although "seventy percent of deaths from these chronic diseases are preventable," people generally seem to overlook the connection between their choices and the development of chronic disease.<sup>9</sup>

Chronic illness is impacting your business and it's bottom line. Health insurance costs account for 31 percent of a company's total employment costs.<sup>10</sup> The cost of an employee's poor health choices takes a major toll on company spending. Those employees that exhibit unhealthy lifestyles tend to have higher medical costs.<sup>11</sup> Implementing a wellness program to educate employees on proper health choices and provide them tools for behavioral change can help prevent or reverse many chronic illness conditions.

One of the most avoidable conditions, obesity, is a leading cause of poor health in today's workforce. A study performed on the correlation between obesity and medical expenses revealed that the costs of obesity-related health problems rose between the years of 1998 and 2008 to \$147 billion.<sup>12</sup> Obesity is also associated with approximately 20 chronic diseases and health conditions.<sup>13</sup> According to the Centers for Disease Control, medical expenses for over weight employees are estimated to be 42 percent higher than for those with a healthy weight. Given the overwhelming link between weight and workers' compensation claims, maintaining a healthy weight is not only important to workers, but should be a top priority for employers.

Poor health, which often presents itself through absenteeism and reduced performance, triggers losses in company productivity.<sup>14</sup> Wellness programs can address both of these goals. They can help "identify individuals who are at-risk" and help companies "intervene to make sure that the individuals don't progress further along the disease continuum."<sup>15</sup>

Wellness programs are also directly tied to the bottom line. A Northwest Regional grocery store chain, H-E-B, performed internal analysis showing that annual health care claims are about \$1,500 higher among participants with a chronic high-risk health status. The company estimates that moving 10% of its employees, through wellness programs, from high or medium-risk to low-risk status yields an ROI of 6 to 1 in health care cost.<sup>16</sup> In the same Harvard Business Journal Review, Johnson and Johnson estimates that wellness programs have cumulatively saved the company \$250 million between 2002 to 2008, that's a \$2.71 return for every dollar spent on wellness.



## WELLNESS MAKES CENTS

Due to increasing health care costs, companies have looked more closely internally and realized that there are critical levels of work time lost to employee illness.<sup>16</sup> Many companies are trying to contain the costs and have taken steps to shrink the amount of absence due to medical appointments and absenteeism by analyzing the business impact of wellness plans.<sup>17</sup> Illness-related absence is an obvious factor in lost productivity. Although less obvious, but just as significant, is “presenteeism”. When people come to work but underperform because of illness, the combined costs of lost productivity can be higher than the costs of health insurance.

A 2009 study by Dr. Ronald Loeppke reviewed absenteeism and presenteeism among 50,000 workers and showed that lost productivity cost are 2.3 times higher than medical and pharmacy costs. In a Dow Chemical study from 2002, of the average annual health costs for a Dow employee, an estimated \$6,721 were attributed to presenteeism, \$2,278 to direct health care, and \$661 to absenteeism.<sup>18</sup>

Job satisfaction, which is also very important to achieving engagement and retention, is connected to an employee’s wellbeing. Research shows that participation in a wellness program was associated with increased job satisfaction.<sup>19</sup> Satisfied healthy employees have lower turnover rates and lower health expenses. “Companies spend about \$1,948 less on health care expenses” over two years per satisfied worker versus an unhappy worker.<sup>20</sup> For every 100 employees, Companies can save approximately \$195,000, or approximately \$2000 per employee which can be substantial long-term cost savings.<sup>21</sup>

In general, organizations with wellness-engaged employees have lower absenteeism, lower turnover, and higher productivity.<sup>22</sup> Implementing a comprehensive and highly regarded wellness program helps organizations become an “employer of choice.” This becomes part of a broader business strategy to distinguish the company in their industry and within their community.



### Fact: Wellness Creates Satisfied Employees

For every 100 employees, Companies can save approximately \$195,000 biennially, or approximately \$2000 per employee, which can be substantial long-term cost savings.

According to the Health Enhancement Research Organization, “Fact Sheet: Statistics about Workplace Wellness.”

7. Health Enhancement Research Organization, “Fact Sheet: Statistics about Workplace Wellness.”
8. Ibid
9. The Wellness Council of America, “Making the Case for Workplace Wellness Programs,” 5.
10. The Denver Post, “Your W2 shows what your health insurance really costs.”
11. The Wellness Council of America, “Making the Case for Workplace Wellness Programs,” 3.
12. Paddock, C. “Obesity Healthcare Costs US \$147 Billion Dollars a Year, New Study,” last modified 2009. Accessed May 2, 2013 [www.medicalnewstoday.com/articles/158948](http://www.medicalnewstoday.com/articles/158948).
13. Stop Obesity Alliance, “Obesity Related Chronic Disease,” 1.
14. Integrated Benefits Institute and Riedel & Associates Consultants, Inc., “Workforce Health and Productivity: How Employers Measure, Benchmark and Use Productivity Outcomes,” 1.
15. Hunnicut, D., WELCOA’s Benchmarks of Success. Absolute Advantage: The Workplace Wellness Magazine, 6(1), (2006): 28.
16. Berry, L.L., Mirabito, A.M., & Baun, W.B. (2010). “What’s the Hard Return on Employee Wellness Programs?” Harvard Business Review. Retrieved from <http://hbr.org/2010/12/whats-the-hard-return-on-employee-wellness-programs/>
17. Integrated Benefits Institute, “The Business Value of Health, Linking CFOs to Health and Productivity,” 1.
18. Parks and Steelman, “Organization Wellness Programs: A Meta-Analysis,” 64.
19. Rath and Harter, The Economics of Wellbeing, 7.
20. Ibid., 7.
21. Ibid., 7.
22. Ibid., 7.

### “Presenteeism” :

When people come to work but underperform because of illness or general poor health.

## CREATE AWARENES...

Aware, engaged employees will be conscientious, demonstrate motivation, and perform at an above-average level. In one employee satisfaction survey focused on “career well-being” the results displayed that only “29% of U.S. workers are engaged at work.”<sup>23</sup> Engaged workers with high career wellbeing are satisfied with the practices and policies of the company and thriving in their work environment. Simply put, employees engaged in wellness are happier at work.

In contrast, disengaged employees have low career wellbeing. “People in disengaged workgroups are nearly twice as likely to be diagnosed with depression, have higher stress levels and are at greater risk for heart disease.”<sup>24</sup> Disengaged employees have higher absenteeism, often un-measurable presenteeism, and increase health-related expenses.

A sustainable wellness program helps employees initiate the necessary changes to reach and maintain good health. Keystone Health & Wellness begins those behavioral changes by leading with a comprehensive nutrition and supplement program.

Why nutrition? It’s simple. According to Dr. Joel Fuhrman, internationally recognized expert on nutrition, 70% of disease today is caused by life choices that are preventable through nutrition. Telling someone to exercise when they have no energy and “feel bad” will not change behavior. Providing guidance and coaching to implement proper nutrition, as well as implementing a nutritional supplement plan, will increase their energy level and provide mental focus to promote physical behavioral changes.

Why supplements? Dr. Fuhrman concludes that 61% of the American diet consists of processed foods high in oils, sugar and flour. Processed foods do not have

one tenth the nutrients found in their natural organic state. The assumption that you could solve this problem by simply eating fresh whole foods is not true in today’s market. The food industries mass production of fruits and vegetables is a contributing factor to poor nutrition. According to the Journal of Food and Science, more than eighty-five studies since 1980 comparing nutrients in conventional foods conclude that yield-enhanced methods tend to decrease nutrient concentrations in fresh foods.

The food industry has implemented systems dependent on high nitrogen fertilization rates to produce faster growth, bigger fruit, and larger average cell size but create a “dilution effect”. Dilution, first reported in Advances in Agronomy, 1981, creates higher production yields but dilutes the concentration of vitamins, antioxidants, and flavor. This evidence concludes that even after making smart food choices, while consuming the proper daily caloric intake, supplements play a vital role in bridging the nutritional gap required for cells to produce proper energy.

## ...CREATE A CULTURE

The key for any wellness program to truly succeed is to empower all employees take charge of their health through sustained behavioral changes. Wellness programs can help create an awareness of health risks, but the ultimate measure of success is empowering employees to consistently care for themselves. A lasting wellness program provides the tools the employee needs to recognize and understand their health risks.

**The immediate goal of a wellness program is to get employees engaged in the wellness process.**

23. Rath and Harter, “The Economics of Wellbeing,” 7. 24. Ibid, 7.

According to Dr. Joel Fuhrman, internationally recognized expert on nutrition, 70% of disease today is caused by life choices that are preventable through nutrition. Supplements play a vital role in bridging the nutritional gap required for cells to produce proper energy and support wellness.

## COACHING IS THE KEY

Information alone is not enough to change the behavior of people.<sup>25</sup> Coaching that focuses on motivational interviewing has been shown to be effective in improving general health status or well-being, in promoting physical activity, and in improving nutritional habits.<sup>26</sup> Engaged employees will become aware that choices they make towards their health will increase the likelihood of maintaining new behaviors.<sup>27</sup>

“Effective coaching is essential to improving health behaviors.”<sup>28</sup> Keystone Health & Wellness provides coaching to each employee through direct phone calls, online virtual coaching tools, and a series of web-based seminars. Coaching provides an effective method that encourages employees to become better informed and stay motivated in making a difference in their health.<sup>29</sup>

## JUMPSTART WELLNESS

Wellness programs will often use competitions and contests to create better awareness about health and foster engagement in a healthier lifestyle.<sup>30</sup> Not a weight loss competition, but a wellness-based challenge can create enthusiasm with employees. The goal is to change behavior and it’s proven that “individuals adopt a new behavior more readily if their social ties also display that behavior.”<sup>31</sup>

Used as part of a wellness program, challenges can also provide motivation to employees to address their health concerns. It’s well documented that “individuals have an effect on the thoughts, feelings, and behaviors of other individuals, reflecting social relationships.”<sup>32</sup> The social support garnered from employees competing together as a team helps them to reach their own health goals.<sup>33</sup>

Keystone Health & Wellness believes that the employee must have a vested interest to make real change. The classic health belief model proposes that behavioral change requires belief that the action will be beneficial and at an acceptable cost, confidence that change is possible, and an incentive to take action.<sup>34</sup>



### Take the Challenge

Keystone Health & Wellness can jumpstart your wellness program by implementing a company-wide 24-Day Challenge. Prior to the start of the challenge, employees will receive education on nutrition and tools to prepare for sustainable life changes. During the 24-Day Challenge, Keystone will be there to coach your employees to success. Beyond the 24-Day Challenge Keystone can continue to provide resources, support, and tools for your wellness needs.

If you would like to learn how your company can achieve results, and for more information on how to implement the 24-Day Challenge, contact Keystone Health & Wellness today.

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<sup>25</sup> Edlin, “Digital health coaching brings care management to everyday life,” Managed Healthcare Executive (2011): 26.    <sup>26</sup> Linden, Butterworth and Prochaska, “Motivational interviewing-based health coaching as a chronic care intervention,” Journal of Evaluation in Clinical Practice 16 (2010): 167.    <sup>27</sup> Ajzen, I., “Theory of Planned Behavior,” Psychology and Health 26 (2011): 1113-1127.    <sup>28</sup> Tu and Mayrell, “Employer Wellness Initiatives Grow, But Effectiveness Varies Widely,” 3. <sup>29</sup> Edlin, “Digital health coaching brings care management to everyday life,” Managed Healthcare Executive (2011): 26.    <sup>30</sup> Tu and Mayrell, Employer Wellness Initiatives Grow, But Effectiveness Varies Widely, 4.    <sup>31</sup> Poirier and Cobb, “Social Influence as a Driver of Engagement in a Web-Based Health Intervention,” Journal of Medical Internet Research 14 (2012). Accessed May 10, 2013. doi: 10.2196/jmir.1957.    <sup>32</sup> Ibid.    <sup>33</sup> Nazzaro and Strazzobosco, “Group Dynamics and Team Building.”    <sup>34</sup> Rosenstock IM, Strecher VJ, Becker MH. Social learning theory and the health belief model. Health Educ Q 1988;15(2):175-183.