As a result of escalating health care costs and employee engagement and productivity issues, a number of organizations are adopting wellness initiatives. The Affordable Care Act (ACA), which emphasizes preventive care as a means for cost and quality management, is also a powerful influence. These initiatives are designed to support not only individual employee wellness, but also the wellness of work units, the organization, and even the surrounding community. As these initiatives continue to grow in scale, sophistication, and performance contribution, they will touch many functional areas within and beyond the human capital (HC) domain. There is a real need to effectively integrate them into each organization’s larger HC strategy.

During the past 30 years, researchers have investigated the benefits of preventive care investments to improve ROI and enhance employee motivation, work engagement, and productivity. Today, wellness initiatives have their own thriving business ecosystem, which is composed of institutes and research centers, consulting and professional services firms, insurance providers, health care service providers, and technology providers.

**What’s Driving Interest in Wellness Initiatives?**

Wellness initiatives are generally defined as formal programs and activities supported by an organization to promote the health and healthy lifestyles of individual employees and their families, organization work groups, and the communities in which the companies operate. Whatever their unique title—“health and productivity” programs at Towers Watson and the National Business Group on Health or “well-living” programs at American Express—wellness initiatives have become an essential and powerful element within many organizations’ larger human capital strategies.
One of the greatest challenges to integrating wellness initiatives into broader HC strategy is their broad scope and the ways they touch so many human capital responsibilities:

**Strategic workforce planning** Create an agile and resilient workforce to meet future needs.

**Recruitment and selection** Gauge a candidate’s commitment to a healthy lifestyle without violating legal and regulatory requirements related to disabilities.

**Performance management** Set development goals and assess progress toward self-improvement and its effects on performance.

**Career & talent management** Ensure broad-based development plans that incorporate all dimensions of wellness.

**Compensation and benefits** Provide access and support to wellness programs and activities with incentives for participation and improvement.

**Learning and development** Establish training programs that incorporate health and wellness education content and reinforcement.

**Organization design** Craft jobs, work units, and practices that support wellness.

**Facilities and operations** Design safe and supportive workspaces and facilities.

**Corporate social responsibility (CSR)** Engage in community development to support healthy families and establish a healthy workforce.

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**The Case for Wellness — A U.S. Perspective**

Health and wellness have evolved as concepts over time to include not only physical health, but also nutritional, psychological, and social forms of wellness (Figure 1).

There have been several factors that have moved organizations to adopt and expand their wellness initiatives.

**Preventable conditions** According to one writer, 87.5 percent of all health care costs are related to these conditions. Moreover, 70 percent of chronic diseases are caused by four preventable factors: tobacco use, obesity, high blood pressure, and elevated cholesterol.

**Productivity loss** Employees with chronic diseases miss an average of 10 days per year, which equals $153 billion in estimated costs. Depression, a leading cause of disability, costs an additional $58 billion, while stress-related illnesses cost companies $300 billion annually in lost productivity, increased worker compensation claims, and absences from the workplace.

**The Patient Protection and Affordable Care Act of 2010 (ACA)** The act has increased preventive care incentives and penalties for organizations that fail to start reining in these costs, making it one of the largest government initiated efforts to redesign and restructure the entire health care sector.

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Figure 1

**Forms of wellness**

- Physical wellness
- Social wellness
- Psychological wellness
- Nutritional wellness
There are indications from studies by such organizations as Aon Hewitt, Deloitte, and the National Business Group on Health that a growing number of companies are considering dramatic cost shifting and potential elimination of benefits to current employees and retirees to curtail costs. If they are successful, wellness initiatives can offer an alternative to such drastic actions.

With escalating health care costs driving a search for solutions, the early successes of “health and fitness” programs, as they were first called, indicated that an “illness prevention” focus could help. There has definitely been a clear historical evolution of concepts and practices since the early 1960s. (See box below for more information on the evolution of the concept.)

The Historical Legacy of Wellness Initiatives

To understand the current and future prospects for wellness initiatives, it is helpful to review how the concept has changed over time. Although Jennifer Reardon provides a useful overview of the concept’s early years in her 1998 article “The History and Impact of Worksite Wellness,” the concept has evolved in the new century. The development of the wellness initiative concept can be divided into three general phases.

The 1970s and 1980s

Unlike in other developed nations, health care in the United States has changed while remaining a privately provided, managed, and delivered system. As a result, health care has always been seen as an employee benefit that needed to be managed, particularly from a cost perspective (e.g., when health care costs began increasing in the 1980s). There could be different health plans for different employee groups, depending on the presence of labor unions and the management levels involved, but these were limited-menu plans.

During the first wellness initiative era, the focus on disease prevention was in its early stages. The United Auto Workers (UAW) called for blood pressure screenings during negotiations in the early 1980s, and government agencies began passing OSHA and EPA regulations calling for mandatory screenings in some hazardous jobs and industries. Employers also began introducing employee assistance programs (EAPs), as the full impact of poor diets, smoking, and alcoholism hit the workplace.

Off-site fitness centers and activities came into vogue as the benefits of daily exercise became recognized by the health professions. Some companies even installed on-site fitness centers and started to provide additional services as employee benefits (e.g., physical therapy, individual counseling). Researchers also began to investigate the health care cost benefits of these programs during this time.

The 1980s to 2010

The second phase saw an explosion of programs and services. As the definition of wellness expanded, there was a growing recognition of workplace stress and mental health as seriously debilitating factors that directly contributed to chronic disease. As a concept, well-being gained more formal recognition and higher visibility when the Gallup organization partnered with Healthways, a health services support organization, in 2008 to create the Gallup-Healthways Wellness Index. This index surveys over one thousand individuals daily to provide broad measures of well-being on multiple dimensions.

At the same time health plans were expanding, employee expectations were rising and insurance costs were exploding. Health savings accounts (HSAs) and other forms of cost management and sharing were introduced during this time. The concept of consumer-driven health plans emerged as a way to encourage employees to become more accountable, better educate themselves about coverage costs, and take advantage of incentives for participating in wellness initiatives.

Despite these innovations, health care costs continued to expand in a manner that put intense pressure on all health care system participants — insurance companies, providers, employers and employees. The passage of the ACA in 2010 set the stage for a major rethinking and redesign of the health care system in terms of accessibility, cost, and quality. While several elements of the ACA remain controversial and other portions have yet to be implemented, its emphasis upon preventive health is clear.

2010s

The negative consequences of workplace stress, poor job design, and workplace physical conditions continue. The effects of downsizing and work redesign, as well as obesity and the other risky behaviors noted earlier, continue to affect health care costs and employee engagement and productivity.

Employers are now taking a more holistic view about total rewards and benefits and are factoring the costs of continued health care into that mix. The result is an intense focus on creating and using business performance metrics that better capture the trade-offs between employee costs and business outcomes. In practice, organization leaders are focusing on the overall business value of specific programs and services and how these can be best leveraged for even greater strategic impact. Freestanding wellness initiatives, while generating positive engagement results and lower out-of-pocket costs, are expected to make even greater contributions in the future.

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c For more information, visit the index’s website (www.well-beingindex.com/default.asp).
Examining the evidence

What benefits are companies currently receiving from their investments in wellness initiatives? Highmark Blue Cross Blue Shield examined the experiences of 47 “engaged” employers in their coverage area. (For the purposes of the survey, “engaged” meant employers who had wellness program participation rates of 25 percent or higher for 2 years or more and an average participation rate of 20 percent or higher.) According to the study, engaged employers experienced significantly fewer medical expenditures, lower cost increases, used professional services less, and sought preventive services more frequently than a large control group. A 2012 study by Aon Hewitt says, “Employers who can target and impact just three of the eight health risks can save as much as $700 per employee per year.” That savings could roughly translate into a 5 to 10 percent overall annual reduction in employer costs that could offset annual cost increases. As a result, “wellness and prevention” outcomes are the most highly sought outcomes in the Aon Hewitt survey.

Other studies have found that HC executives are increasingly open to the idea that wellness initiatives can produce positive outcomes beyond health care savings alone. In a 2009–2010 study involving 352 employers, Towers Watson and the National Business Group on Health found that employers with “high effectiveness health & productivity (H&P) programs” experienced 11 percent higher revenue per employee, 1.2 percent lower medical trends, 1.8 fewer days of absent employees, and 28 percent higher shareholder returns. The report adds, “High H&P effectiveness companies are also more likely to have lower health care costs, lower levels of presenteeism, fewer lost days due to disabilities, and lower levels of turnover relative to their industry peers.” Presenteeism—the syndrome of employees at work but not fully productive—is now such an issue that it is estimated to cost employers as much as $2,000 per employee, which is even more than absenteeism, and can be directly attributed to chronic health conditions (e.g., depression and fatigue).

Correlational studies need to be approached thoughtfully, but the overall pattern across most of the wellness research is one of positive health and business outcomes. As Leonard L. Berry, Ann M. Mirabito, and William B. Baun wrote in a December 2010 Harvard Business Review article, “Employee wellness programs have often been viewed as a nice extra, not a strategic imperative. But the data show otherwise. The ROI on comprehensive, well-run employee wellness programs can be as high as 6 to 1.” Additionally, the Wellness Council of America (WELCOA) estimates a 3:1 return, while companies such as AstraZeneca, Johnson & Johnson, GlaxoSmithKline, Novartis, and OSI Pharmaceuticals similarly report strong results for their wellness initiatives. Larry S. Chapman’s meta-analysis of some 60 ROI studies has similarly confirmed significant findings regarding reductions in sick leave, workers’ compensation, and other costs.

Whatever the specific benefits of wellness initiatives, they are becoming a standard component of health care at many companies. In a 2012 survey by the Society for Human Resource Management (SHRM), 58 percent of California organizations polled said they offer wellness programs for their employees. The National Business Group on Health’s 2012 survey of most preferred health care cost savings strategies for its members confirmed that wellness initiatives were the second most highly ranked strategy (increased use of consumer-driven health plans placed first). Based on these findings, the growing adoption of wellness initiatives appears to be driven by both escalating health care costs, which are the result of specific, preventable diseases and risky behaviors, and a growing awareness that healthy employees are more engaged and more productive.

While wellness initiatives may have been initially instituted to manage health care costs, they are now recognized as providing a competitive business advantage in the form of a healthier and more engaged workforce. This is a significant benefit because, as the Towers Watson and National Business Group on Health report cited above notes, “The most critical issue for employers over the next few years will be keeping their workforces healthy, productive and engaged.” As research by The Conference Board on strategic workforce planning (SWP) indicates, these are precisely the types of contributions that HC executives must incorporate into their overall workforce planning and development strategies to sustain business performance.
The Emerging Wellness Ecosystem

According to conversations with and comments made by leaders responsible for wellness initiatives at professional conferences and other programs, many companies continue to have modest budgets and staff for managing their quickly growing wellness initiatives. Fortunately, the corporate champions of wellness initiatives have numerous allies to assist them, and these allies represent a support system that hardly existed 30 years ago (Figure 2).

Elements of the ecosystem

Institutes and associations There is a highly diverse group of academically affiliated or independent advocacy and policy research institutions that study and advocate for health and wellness initiatives. Ball State University in Muncie, Indiana, has, for example, created the Fisher Institute for Wellness and Gerontology, which conducts research and offers a master’s degree in wellness management. Outside of academia, there are the Wellness Council of America (WELCOA) and other advocacy groups, professional associations such as the Employee Assistance Professionals Association (EAPA), and community-focused groups like the Wellness Council of Maine. All of these organizations are involved in the creation of a rich array of programs, research, and information-sharing services.

Consulting and professional services firms These organizations specialize in the design, introduction, and ongoing support of wellness programs and activities, including producing research reports. Major firms such as Ernst & Young, Deloitte, Towers Watson, and Aon Hewitt have not only enlarged their health care practices, they have also made selective acquisitions in the health and wellness market to sharpen their focus on the issue. That focus in some cases springs from an intense organizational interest in wellness (e.g., Ernst & Young was recognized in 2012 as one of the “Top 10 Companies for Health & Wellness” by Working Mother magazine). Innumerable smaller specialized consultancies exist for every dimension of the wellness market space, particularly program design and implementation, employee assessment and support, and facilities operations.

Figure 2

The growing wellness business ecosystem
Health care products and service providers This segment has expanded beyond traditional health care offerings to include preventive care as a form of competitive differentiation and revenue diversification. For example, the Johnson & Johnson subsidiary Wellness & Prevention, Inc., offers a “portfolio” of wellness-related services, including the Corporate Athlete Course, which is provided by the subsidiary Human Performance Institute. As seen by its inclusion in the “2012 Top 10 Companies for Health & Wellness” by Working Mother, Johnson & Johnson’s focus on wellness is internal as well as external. Hospitals and clinics such as Kaiser Permanente and the Mayo Clinic have long-established interests in preventive care. The Mayo Clinic, for example, conducts research in preventive health and provides extensive online and print communications about wellness. Many other hospital and clinics are also diversifying through selective wellness venture startups and acquisitions.

Insurance providers These companies are increasingly seeking to stand out through competitive differentiation and revenue diversification. Insurance companies recognize that cost pressures will only increase with full implementation of the ACA, and new opportunities to enter the preventive care marketplace are essential for controlling member costs and competitively repositioning themselves. Blue Cross Blue Shield organizations across the United States have been among the most aggressive insurance providers in building a wellness presence. Blue Shield of California has created its own Healthy Lifestyle Rewards program, and Anthem Blue Cross has its own 360 Health Program, which features extensive links with other providers. Humana, one of the nation’s largest insurance providers, has also recognized that a preventive care and wellness focus provides such significant opportunities that it is reframing itself as a “health and well-being company.”

Consulting and professional service providers These wellness program providers serve as outsourced resources that allow employers to stay focused on their core businesses. Optum Health, for example, provides client organizations with an array of health-related services that range from back office information and transaction services to specific disease-related management programs. Employers recognize that wellness requires changing employee behaviors, so companies such as Accenture have outsourced some employee health assessment, education, and behavior reinforcement activities to specialized third-party providers. WebMD.com, for example, provides extensive support services to an extensive list of large organization clients.

Wellness Champions at Accenture

Seven years ago, Accenture’s Work Life program began using interest groups as a way to mobilize volunteers with personal interests in wellness topics. Like workers in many large organizations, the company’s employees were having difficulties achieving work/life balance because of frequent travel, long work hours and limited opportunities for getting together. The interest groups grew over time to 12 locations, each with its own leader.

Accenture made a recent significant conceptual shift by dropping “work life” and replacing it with “Live Well at Accenture.” Under this new program, employees have access to health coaching, confidential mental health support, wellness teams in 120 different locations (across the United States and Canada), and discounts on gym and fitness centers. The teams are linked through a highly accessible and integrated information-sharing platform, which includes many services and applications (e.g. assessments, feedback, and behavior change support). There are internal pages at the national and local level that use social networking sites and proprietary community building platforms.

One of the most important features of Accenture’s wellness initiatives is the leadership of wellness champions for each of the locations with wellness teams. Some of these wellness champions have been in place since the inception of their local teams, and many are so loyal that they have asked to stay in the role beyond their original term. To date, more than 7,000 employees have participated in wellness teams.

Julie Wilkes, the North American Wellness Lead at Accenture, recognizes the value of the “smart data” that are provided to support the teams. Each wellness champion and team is given assessment data that offers nationally benchmarked data on a variety of outcomes (e.g., cholesterol levels). This data is essential for planning targeted wellness programs at each location and helping each team track performance against their goals.
The Five Elements of Successful Wellness Initiative Design

The growing scale of wellness initiatives has allowed researchers to identify the characteristics of successful programs. Based on a variety of sources (research studies, advocacy groups, and conversations with corporate professionals charged with leading wellness initiatives in their own companies), the elements of success are consistent and clear. Wellness initiatives that generate positive business outcomes do so when the following five design elements are present.

1. Leadership buy-in and sustained support

There is consistent recognition by wellness professionals that leadership support is a prerequisite. The CEO and senior leadership team must believe, live, advocate, and demonstrate visible support. When a CEO stands in front of a top management group and says that an executive health assessment saved his life, that’s believing it. When that same CEO changes his diet and increases regular exercise, that’s living it. When he encourages others to do so, that’s advocating it. And when that CEO provides financial support for expanding wellness programs to additional employees, that’s supporting it. These examples all happened at a publicly traded energy company.

Leadership support becomes particularly critical when leadership transitions occur. CEO support must be present, but that support needs to extend to the larger leadership team. Sharing leadership across functional areas, or at least creating team mechanisms for cross-functional coordination, is important because wellness initiatives touch so many aspects of HC strategy. It goes without saying that the CHRO and other senior HC professionals must provide leadership in demonstrating initiative effectiveness and performance contribution. In the case of Prudential, the chief medical officer (CMO) has responsibility for its initiatives. Wherever it resides, primary leadership responsibility needs to be clear, consistent, and convincing.

2. A thoughtfully designed comprehensive plan

Many wellness initiatives spring from isolated experiments or from an individual’s own interests. Some experiments are the result of a personal “wake-up call” a leader experiences in his or her life, family, or leadership team. While stand-alone initiatives can generate results, major changes require organizations to plan how they can build upon initial successes.

Wellness initiative planning articulates the content or targets for intervention and their scope, along with budgets and other program plan elements. Creating agreement about content is a significant challenge in itself since the variety of activities can rapidly escalate. All must be effectively coordinated and supported, which adds to complexity and costs. Content interventions fall into two broad categories:

- **Educational programs** focused on nutrition, fitness, alcohol/drug abuse, emotional health, or illness-specific content (obesity or high cholesterol). While some of these issues may be appropriate for a program for the general employee population, others may require companies to target specific high-risk groups based on workforce analytics.

- **Behavior change interventions** that provide individual health assessments, feedback, counseling, monitoring, and reinforcement (i.e., incentives). Face-to-face staff-employee interactions may have been the norm during the introduction of specific interventions, but the trend now is decidedly toward applications that are available online and through social media.

“Initiative scope” refers to the focus of this content, whether it is on the individual employee, the employee's family, the work group, the entire business, or even the larger community. Setting initiative scope is a critical issue. Nearly all organizations have individual employees as a focus, but they also recognize that working across other levels and groups can create a supportive context for individual behavioral changes and yield other positive results.
Interventions in the organization’s larger communities may also prove productive. Accenture and Prudential found, for example, that many of their employees live within communities with high-risk health demographics. As a result, both organizations began supporting community wellness programs for employees and other groups to create healthier talent pools. Prudential’s wellness initiatives won the C. Everett Koop National Health Award in 2011.21

Another scope-related challenge is whether and how to introduce global workforce health strategies. Towers Watson’s survey of 149 multinational corporations in 2011 indicated that different regions have different needs and goals.22 A study by Mercer in November 2012 also found that the prevalence of certain diseases in the Asia-Pacific region is starting to compromise productivity and accelerate health care costs.23 Companies must take these differences into account when crafting a global workforce health strategy. Closely coordinated strategies can yield greater efficiencies in total corporate health care expenditures and other benefits.

Of course, the additional costs and effort needed to achieve any change in scope must be incorporated into the plan. A multi-year staging of additional initiative elements is necessary so that costs and staffing requirements can be anticipated.

3. Meaningful and measurable goals
Successful initiatives ensure that there is broad consensus about what is realistically expected and the time frame involved. The challenge is to make sure that these goals can be directly linked to meaningful and measurable business performance outcomes. This requires robust metrics and analytics within an assessment plan.24 Fortunately, there are many third-party providers that have not only supported education and behavioral change, but have also created program assessments tied to specific business metrics. On the other hand, conversations with senior staff in both Prudential and American Express provided vivid examples of thoughtfully designed but internally generated metrics tied to their specific business outcomes.

4. Investments to build capacity
Successful initiatives require adequate budgets and staffing support, both of which are necessary whether initiatives are supported internally or major elements are outsourced to external providers. Nonetheless, both budgets and staffing have been missing in many organizations because health and wellness have not been clearly linked to business performance outcomes. If initiatives are generating cost savings, then successful programs can recapture some of those savings to grow themselves.

Staffing investments are an issue in any growing program. Many initiatives are initially led by staff members who have multiple roles and responsibilities, a problem that the economic recession has only exacerbated. Still, initiatives can grow to a point that full-time dedicated staffing is essential and can be funded from the documented cost savings created by wellness programs. In some instances, staff may be committed and energetic, but not adequately trained in health and wellness fields. Providing professional certification and education for these staff members should be a priority as initiatives grow in complexity and sophistication. Support for staff members is increasing as better research documents positive outcomes and wellness professionals become better at communicating the business value generated.

5. Delivery is effective, assessed, and enhanced
Quality delivery of content to targeted individuals and groups is essential. The combination of weak design and content and inadequate support systems can quickly kill any initiative. Systems and processes have to be in place, and content and activities have to be provided through highly accessible and trusted channels. Online delivery via social media is becoming the norm for more and more applications.

Employees have to have absolute confidence that their personal information is used appropriately within the organization. Moreover, companies face severe penalties if they violate the requirements and guidelines for wellness programs in the Health Insurance Portability and Accountability Act (HIPAA) and the Americans with Disabilities Act (ADA).25 Employees with disabilities must have accommodations within all initiatives. Any indication that employee data from health assessments or mentoring sessions have been used inappropriately in personnel decisions could also kill a program. Despite best efforts by organizations and third-party providers, fears about data use remain one of the biggest barriers to employee participation.

Successful wellness initiatives are quick to refine offerings and adapt to changing conditions within an organization. Content, accessibility, and participation incentives are continuously evaluated and, if necessary, changed. The challenge here, of course, is that behavior change and measurable outcome improvement by individuals takes time. Carefully constructed assessment processes consider the leads and lags and setbacks and obstacles inherent in wellness initiatives.
Integrating Wellness Initiatives within HC Strategy

As wellness initiatives grow in content and complexity, there is a clear need to better integrate them within the organization’s larger HC strategy. This is a pressing need since their business value is being recognized as an essential part of managing a source of major costs and a valuable means for building workforce engagement.

Human capital strategy concerns

The existing quality and adequacy of people resources
The quality and adequacy of an organization’s people are relative to the unique features of an organization’s industry and gauged against competitive and business performance expectations. Strategic workforce planning is one critical tool used for establishing an overall people resources baseline assessment in terms of numbers, diversity, and knowledge and skill competencies. Those strategic level plans must include workforce surveys to assess employee health risk factors and the distribution of those factors across different workforce segments. These become part of an overall HC risk assessment.

Their capacity and level of engagement with the organization’s goals and other strategies
Even if a company has the “right” people—those with the right knowledge and competencies—in place, the ability of those employees to sustain high levels of performance and engagement will be determined by their overall wellness, as well as by other factors (work and organization design, compensation and benefits). It can be difficult to sustain workforce productivity in dynamic environments that erode both a sense of purpose and wellness.

Future HC requirements
There are huge demographic shifts underway in domestic and global markets that must be addressed. Entering new geographic markets or businesses, for example, will also produce new requirements to be met and new gaps to be filled. If, for example, the organization enters new markets in Africa, then community-level wellness initiatives may be required to ensure a healthy workforce to meet future growth.

Metrics
Any metrics related to health and wellness initiatives must be linked to meaningful performance measures and outcomes.

Ensuring Synergies across Functional Areas

HC leaders play critical leadership roles in this integration process, but ownership of wellness initiatives still needs better clarification within the HC organization. Of the nine functional areas identified earlier as having some level of involvement with employee or workforce wellness, three—organization design, facilities and operations, and corporate social responsibility—are not typically within the operating responsibility of the HC organization. In many organizations, wellness initiatives are the responsibility of the benefits unit, but this may not be the case in others. Wellness initiatives, like many programs, will take on the flavor of whichever unit assumes ownership. As a consequence, the benefits group may not appreciate facilities and operations design factors related to employee health, such as redesigning a work process to lessen stress and strain.

One of the most important aspects of integration concerns is how the “touch points” with other departments are managed. Which group or unit is best positioned to ensure that those responsibilities are recognized and incorporated within a coherent plan that maximizes performance? At a minimum, a team approach that brings staff together from multiple areas to work through initiative synergy issues is required. Any initiative is made easier when specialized wellness staff are retained and charged with integration responsibilities. Still, few staff members have the authority to work across all of those areas, and senior HC leaders need to support those who are asked to fulfill that role.

Building a Successful Initiative Design

The HC area also has primary responsibility for all five elements of successful wellness initiative design described above. No small task. HC leaders must make certain there is continuity across leadership and staffing changes, meet the unique challenges of different business cycles, and weather the inevitable setbacks. These responsibilities are best met when there are clear and unambiguous linkages between wellness investments and business performance outcomes. There is nothing like demonstrated results to enlist the support of senior HC executives.
The scope of a wellness initiative as part of HC strategy is a critical integration issue. Most initiatives focus on the individual employee, and only a few interventions target higher teams and work groups, the total organization (including international operations), or even the communities where companies operate. Shifting the focus from an individual employee to a larger group requires a long-term strategic focus that is best reflected in a HC strategy. Senior HC leadership must play a role in obtaining the resource commitments needed for community-wide projects and other higher-level intervention activities.

Interventions at the leadership level represent one of the most important programs outside of initiatives aimed at individual employees. If there are significant health risks present in senior management teams, this could mean that the financial exposure from a CEO or CFO heart attack at a critical time is unacceptably high. If the leadership of a major “too big to fail” bank or government agency is compromised by prolonged excessive stress during a severe financial crisis, this poses a risk that could have repercussions that would extend well beyond the organization.

The same team-level targeting is also important for vital business units (e.g., R&D teams, IT development teams, M&A transition teams, etc.). Types of interventions may vary as well. While individual team member health assessments will identify specific health risks, interventions should also focus on team behavioral changes and cultural norms. However, it will take a CHRO to make that case and ensure risks are being managed at those levels.

Organization-wide scope issues should also be considered when assessing health care investments across business groups and regions. Few companies have fully deployed global health care strategies, which means that those organizations have not been able to take advantage of the cost differentials that can exist between nations and even localities within a region. They have also missed out on potentially productive cross-cultural “best wellness practices” from China and other countries.

Finally, community-level engagement is still a frontier for many organizations. There is growing interest in wellness at the community level, and organizations are finding a variety of ways to participate, including helping create so-called “Blue Zones” (areas where people reach age 100 at rates 10 times greater than in the United States).

**Action Implications for HC Leaders**

HC leaders in organizations without wellness initiatives or with limited wellness plans should become more familiar with common practices. They need to educate themselves and their staffs about the range of program activity possible, benchmark best cases, and join networks and groups associated with wellness. They must become familiar with the research and literature on health and wellness, always noting the difference between untested rhetoric—and there is a lot of that—and practices with clearly demonstrated business results.

Familiarity with current wellness practices and outcomes is important because HC leaders must advocate for wellness programs for the good of the organization and its employees and not just for cost management reasons. Wellness is critically important to the nation’s health, and, if health issues are not addressed, all organizations will face higher health care costs and workforce capacity and engagement issues. HC leaders must also be visible advocates of their own wellness. Employees will be more likely to find initiatives credible when they see leaders “walking the talk.”

Even if HC leaders are familiar and/or already engaged in wellness initiatives, they may want to reassess their activities. The best wellness initiatives are committed to continuously improving quality and delivery. Opportunities for improvement and expansion can be identified, and if there are weaknesses, improvement plans can be developed. The entire field of wellness is evolving so rapidly, however, that it can be challenging to stay abreast of best practices.

HC leaders must also keep track of the metrics and analytic tools that can directly link initiatives to business performance outcomes. Many organizations presently engaged in wellness initiatives have already created these metrics. The greater need today is for robust tools for aggregating large amounts of data and facilitating meaningful analyses across a variety of performance metrics. These are still in the early stages of evolution, but consulting firms, advocacy groups, and providers can assist in this effort.

Whatever initiative a company pursues, the road back from the poor health conditions cited at the beginning of this report is a difficult and costly one. For wellness initiatives to succeed, HC leaders need to create an integral role for wellness within their organization’s larger HC strategy.
Endnotes


16 Large Employers’ 2013 Health Plan Survey, p. 11.


18 For the full list, visit the Working Mother website (www.workingmother.com/best-companies/top-10-best-companies-health-and-wellness).

19 See 2009/2010 Staying@Work Report, p. 6; and “WELCOA’s 7 Benchmarks of Success: Developing Results-Oriented Wellness Programs One Company at a Time,” Absolute Advantage, 6, no. 1-29 (www.welcoa.org/wwp/pdf/aa_6_1_novdec06.pdf).


21 For more information on the award, visit the National Health Awards website (www.sph.emory.edu/healthproject/past_winners/year/2011/Prudential/contact_summary_data.html).


28 For more information, see the websites for Healthways (www.bluezonesproject.com) and Blue Zones (www.bluezones.com).
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