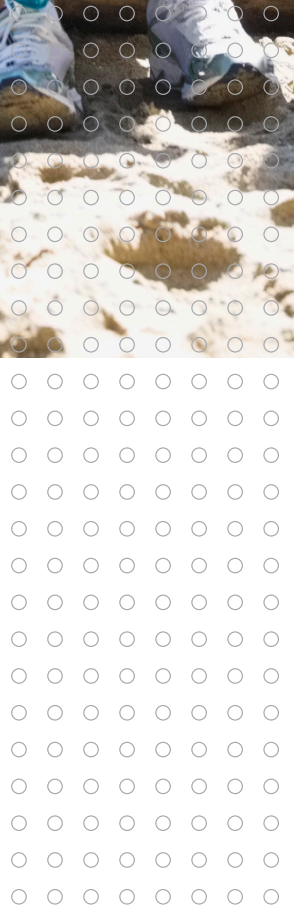




# From Wellness to Peak Performance

Create a culture of health to boost  
employee health and productivity



# From Wellness to Peak Performance eBook

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## Create a culture of health.

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# From Wellness to Peak Performance

## Create a culture of health to boost employee health and productivity

We believe that focusing on good employee health is a smart business decision. So how does an organization take that leap of faith?

More organizations are rethinking their existing wellness programs to create a true culture of health that supports employees' personal health goals while improving the performance of the organization.

The positive correlation between a healthy workforce and business performance is becoming increasingly clear. For example, recent research demonstrated that the stock performance of C. Everett Koop National Health Award winners over a 12-year period outpaced the Standard & Poor's 500 index by a substantial margin — rising 325 percent versus 105 percent.\*

**32%** of HR professionals rank improving employee health and productivity among their top three priorities

**51%** of employers who have a wellness program rank employee morale as their most improved metric from implementing wellness initiatives, with smaller improvements in claims and stress reduction, productivity and employee retention.

HUB International 2018 Middle Market Employee Benefits Study

\*HUB International 2018 Middle Market Employee Benefits Study: The Benefits Imperative: HR and Finance Leaders Alignment on Employee Benefits Challenges

\*\*The Stock Performance of C. Everett Koop Award Winners Compared With the Standard & Poor's 500 Index; Goetzel, Ron Z. PhD; Fabius, Raymond MD; Fabius, Dan DO; Roemer, Enid C. PhD; Thornton, Nicole BA; Kelly, Rebecca K. PhD, RD; Pelletier, Kenneth R. PhD, MD (hc)

# Defining a Health & Performance Program

A Health & Performance Program provides personalized support, tools and incentives to help individuals make important lifestyle changes. It measures outcomes that are aligned with key performance objectives, including:

- Improved productivity and retention,
- Fewer short-term disability and workers' compensation claims, and
- Reduced employee stress levels and improved morale.

A health and performance program includes traditional wellness initiatives like promoting healthy lifestyle choices, regular breaks and mental well-being activities, and may include outcomes-based elements like incentives for completing HRAs or biometric screenings. But it has to go beyond that to encourage maximum performance, and build upon a foundation that includes:

- **Data** - to establish benchmarks and measure year-over-year improvements in employee health and business performance to demonstrate both value of investment and actual return on investment
- **Communication** - to clearly articulate the value placed on good health and how to achieve and maintain it as a corporate objective.
- **Commitment** - to take a long-term approach with the support of management to generate lasting bottom-line benefits that are meaningful and map back to the original benchmarks

As Philip Swayze, Director of Health and Performance for HUB International, New England, says, "Creating a culture of health really means bending the health cost trend, encouraging people to live healthier lifestyles and be more engaged in their work. Good health benefits the organization's business performance, and that's ultimately the way for an employee benefits program to deliver a meaningful value on investment."

Raymond Fabius, MD, former chief medical officer for General Electric and currently president of HealthNEXT, a culture-of-health consultancy, led the assessment of the Koop winners' stock performance. He says that those companies that previously built a culture of safety had a ready framework and have led the way in establishing cultures of health.

Fabius notes that there is an excellent body of evidence that correlates better health with better business performance. "We've found that employees who are healthier are more engaged, less likely to get injured, and outperform less healthy employees. Moreover, there is published research demonstrating that manufacturers who foster a healthy culture spend less on health care and produce less workplace waste. There are many ways to connect healthy employees with better performance — all of which leads to a competitive advantage."

# Taking a Long-term Approach to Drive Success

An effective health and performance is a great way to drive a significant culture change, but that's not something that can be accomplished with a short-term perspective. It's a cornerstone of a multi-year benefits strategy that integrates benefits design with all other efforts to improve health and performance.

"It would be a mistake to design a short-term strategy and then discontinue it after only a year," says Mingee Kim, Vice President of Workforce Productivity and Risk Services, HUB International. "The best way to make this kind of culture change a reality is to structure it as a long-term business strategy, partnering with employees to make it supportive for them even as it improves performance."

But that won't occur unless there's a solid team in place to manage this business commitment, with senior and C-suite leadership championing the effort.

For starters, it's essential that HR leadership forges a solid working relationship with the chief financial officer, whose stake in health management strategies goes far beyond the need to control medical costs. A recent survey of 345 CFOs by the Integrated Benefits Institute ranked controlling medical costs as a top goal (44 percent of respondents), and almost as many (36 percent) also identified attracting, retaining and satisfying talent – a message consistent with standard HR tenets.

Dr. Fabius recommends that others with critical perspectives and roles also be part of the conversation in making the business case for and implementing health and performance programs. For example, the risk management and operational leadership must be aligned. They both have a decided stake in the outcome because of the risks that connect health with lost work time, disability, injury and workers' compensation.

"Each employer has different opportunities available," Swayze adds. "Some may want to build on their successes, like effective wellness committees or a workplace safety program. Others face barriers, like communications challenges with employees who work from their homes. The program has to make sense for the organization and help it achieve its health and business goals."

## Take your health and performance program from good to great

You may already have a good health and performance program, one that generates satisfactory returns on productivity and financial measures. But has it ushered in a true culture of health? Here's how to go from good to great:

### **C-suite support.**

Leverage a member of senior leadership to help champion the culture of health, and who can closely align their interests with the teams that are driving the health and performance program.

### **Data integration.**

Develop a comprehensive picture of your organization's health and performance progress by gathering and integrating all available data from your benefits vendors – from health insurance and disability carriers to pharmaceutical benefits managers.

### **Vendor integration.**

Maximize the value of your disease management, biometric screening, health risk assessments and wellness coaching vendors by integrating their services.

# Leveraging Data to Build an Integrated Approach

Ultimately, your program might cover yoga classes. It might provide healthy food choices in the company cafeteria. And it might sponsor employee participation in walks, runs or bike rides for charities. However, according to Kim, it must be grounded in data that reveals the points of pain affecting your workforce's health. "Analyzing data helps you understand what's going on with employees and identify current and potential issues. It takes multiple years of data to identify trends. Even without that, you at least will need to understand the forces at work."

Specifically, Kim recommends looking at data for workers' compensation, disability, and paid and unpaid leave, and from there, looking at the utilization, the cost of these programs and the policies and procedures surrounding them.

"It takes an integrated perspective to identify all the resources that are critical to the employee population," she says. "Some employees use some of them; some use all. It's important to make sure they're educated as to their availability and usage, but also to ensure they are the right resources that target relevant workforce issues."

Often, an organization's existing policies and plans will contain incentives - and disincentives - that affect employee health and performance. Disability plan provisions, for example, can have a variety of negative consequences. If the right incentives are not in place for employees receiving short-term disability, they may avoid going back to work even if they can work - or even if they could work part-time - because it jeopardizes their long-term disability benefit.

Moreover, employees who qualify for long-term disability are also required to apply for Social Security disability income. If they receive it, it's an offset to the long-term benefits. "That's good for insurers, but the consequence is that the individual continues to see himself or herself as disabled and not able to work. And that has a huge effect on the overall health and performance of the organization," Kim says.

## Data you can leverage to benchmark and measure your value of investments:

- Employee retention
- Employee job satisfaction
- Customer satisfaction
- Revenue increases
- Recruitment success rates
- Employee stress levels
- Productivity
- Workers' compensation claims
- Short-term disability claims
- Long-term disability claims
- Chronic disease management (e.g. diabetes, asthma)

# Measuring for Continuous Program Improvement

Like any other business strategy, your health and performance program is best managed when measured. It's important to be thoughtful about what measurements are most meaningful for your organization.

While a data warehouse and advanced analytics are nice to have, not every organization can access that kind of comprehensive data, but that shouldn't be an impediment to a successful health and performance program.

"You have a lot of data right in your hands, whether you know it or not. You can look at absenteeism. You can look at retention rates. You can do employee satisfaction surveys," Swayze suggests. He also recommends health risk assessments to "benchmark where your population is today and assess it after the first year to determine whether or not your program has had a positive impact."

This kind of data can be used to benchmark and measure the hard dollar cost savings of a health and performance program that is working. And that adds up to the kind of value creation that's the hallmark of a best-in-class culture of health.

A health and performance program is an integral part of benefits planning for organizations that want to address the root causes of productivity issues. Successfully mining that sweet spot where health and performance intersect will yield deeper and more lasting productivity gains. It will expand the host of intangible assets that help make good companies great.

[Contact a HUB Employee Benefits advisor today](#)

## Key Metrics

A health and performance program should deliver value in three areas

### Plan

- Employee retention
- Reduced pharmaceutical costs
- Reduced short-term disability claims
- Reduced workers' compensation claims
- Improved employee engagement
- Improved healthcare utilization

### Performance

- Improved organizational performance
- Fewer quality issues
- Less waste
- Increased customer satisfaction

### People

- Reduced stress
- Improved job satisfaction
- Better morale

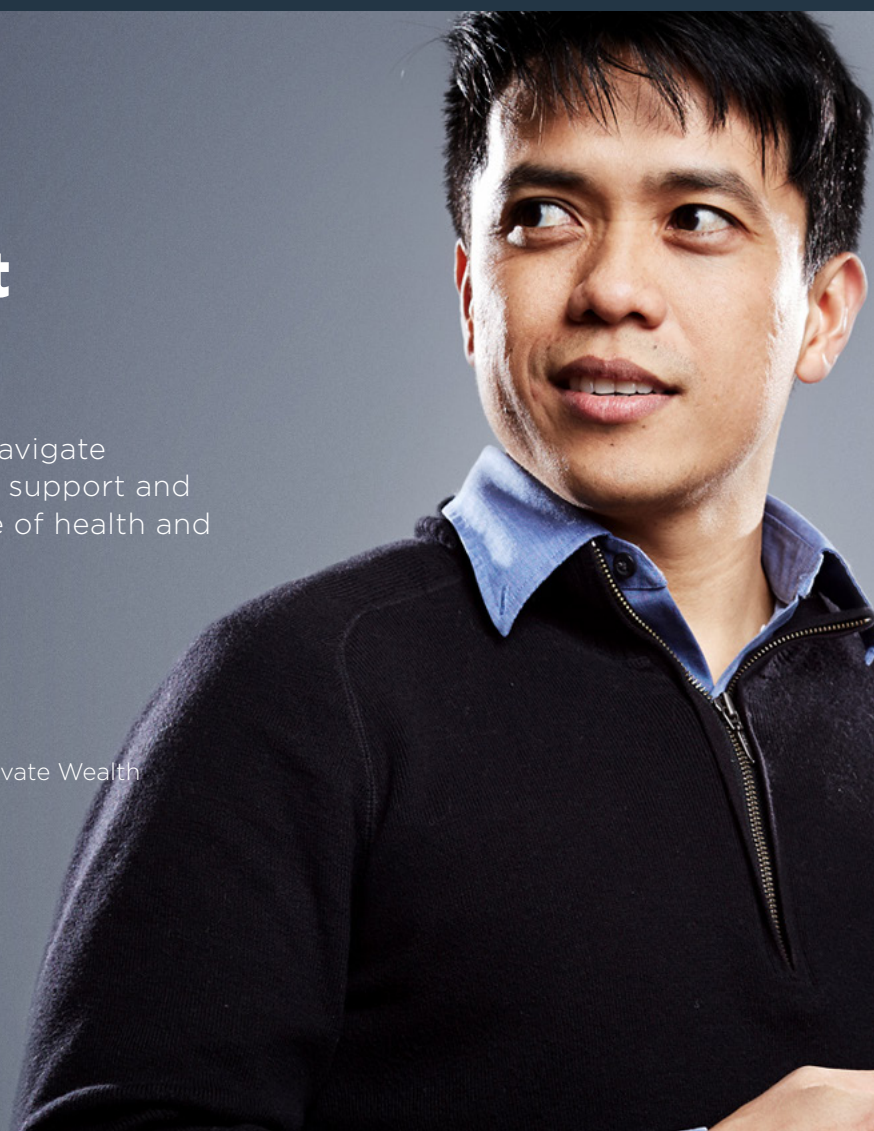
# Tailored support that puts you in control

We can advise you on how to confidently navigate change, and help you develop a strategy to support and engage your people by promoting a culture of health and high performance.

Contact a HUB advisor today at:

[hubemployeebenefits.com](https://hubemployeebenefits.com)

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