



Wellness as a business management strategy takes proper planning, execution

Text by Meghan P. Cooper

BENEFITS

Wellness as a business management strategy is entering today's mainstream conversation. A fundamental shift is occurring in the way employers understand the concept of employee health and the impact it can have on a company's overall financial health.

Employers used to say, "Maintaining employee health costs money." Now they're saying the opposite.

An effective wellness program produces many benefits beyond cutting health insurance costs, as important as that is. The fact is, healthier employees are more productive. Combine lower health care costs with higher productivity, and you gain real, strategic advantage.

This new way of thinking requires a shift in perception regarding the utility of employee health management. First, it's an opportunity to combat the direct costs incurred through providing health benefits. Second, there are the indirect costs associated with lost productivity due to absenteeism, presenteeism (sick workers who come to work and are unproductive) and disability.

In fact, these three indirect cost drivers are viewed by experts as having two to three times the price tag to employers than costs that are directly attributable to health care. A wellness program that

incorporates targeted solutions for documented problem areas will yield tangible results and in essence pay for itself.

Not just for large employers. Small and large companies alike can participate in the benefits of a wellness program. More than 50 percent of the U.S. work force works in a small-business setting, so imagine the aggregate cost impact if all small businesses engaged in wellness promotion.

The steps needed to implement an effective workplace wellness program in a small company mirror those required for a large company. According to Wellness Councils of America's guides, implementation includes CEO support, a needs-and-interest survey, health screenings and a physical activity campaign.

Diagnose before treating. In an effort to get wellness out to employees as quickly as possible, companies neglect to perform the preliminary analysis that is required to give the program direction. An effective wellness program is built upon data gathering, an evaluation system, risk identification, objective setting and quantifiable results.

Taking these steps lets employers establish a baseline to work from so that the wellness program can provide the activities, resources and incentives that will affect behavioral change and achieve the program goals.

In the absence of taking these steps, although the program may succeed in creating goodwill with employees, it will not succeed in producing any measurable ROI.

Manage for productivity. Some believe that the correlation between employee health and a healthy bottom line is so strong that organizations engaged in best practices should have a strategy for managing it.

Health productivity management (HPM) is the name given to the concept of managing employee health as a business strategy. A key component of HPM is consumer-driven health care, whereby employees better understand the true costs of health care through incentives and other engagement measures.

A comprehensive wellness program has the potential to transform your organization as well as impact your bottom line. The key is to ensure the program is well thought out and properly implemented to achieve results. Otherwise, you may waste valuable time, efforts and resources.

Measure first and plan accordingly so that your wellness program is a model of success.

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