

WORKING WELL: A Global Survey of Health Promotion and Workplace Wellness Strategies

*Executive Summary
November 2010*

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OVERVIEW

For the fourth consecutive year, Buck Consultants' survey *WORKING WELL: A Global Survey of Health Promotion and Workplace Wellness Strategies* investigates emerging trends in employer-sponsored health promotion and wellness programs. By exploring areas such as program strategy, design, objectives, incentives, measurement, evaluation, and communication, this research seeks insights into how employers around the world implement and evaluate strategic wellness initiatives. The 2010 survey also includes new questions on stress reduction and tobacco cessation programs.

This year, 1,248 organizations based in 47 countries, representing more than 13 million employees, responded to the survey. Survey participation has grown steadily over the past four years — from 555 employers that participated in the first annual survey in 2007 — reflecting the growing level of global interest in workplace wellness. The survey questionnaire was offered online in 11 languages. Participants were senior or mid-level professionals with responsibility for corporate health or wellness strategy.

WHAT IS WORKPLACE WELLNESS?

The term “wellness” is not defined or used consistently around the world. As defined for this report, wellness refers to programs designed to improve the health and well-being of employees (and their families), in order to enhance organizational performance and reduce costs. Wellness programs typically address specific behaviors and health risk factors, such as poor nutrition, physical inactivity, stress, obesity, and smoking. These factors commonly lead to serious and expensive health problems and have a negative impact on workforce productivity.

Wellness programs raise awareness, provide information and education, and offer incentives that encourage employees and their families to adopt healthier lifestyles. These initiatives are most successful in a workplace environment that promotes and supports health and well-being.

Wellness programs also can help reduce the incidence and severity of chronic illnesses such as asthma, diabetes, and heart disease. Employers often integrate their wellness initiatives with chronic disease management programs to provide a continuum of healthy lifestyle support.

Wellness or “well-being” is increasingly used to encompass a spectrum of personal issues beyond physical and mental health, such as financial security, community involvement and career success.

Health promotion, health improvement, health and well-being, and disease prevention programs are other terms used in place of wellness. This report uses the terms wellness and health promotion interchangeably.

HEALTH PROMOTION VALUE CHAIN

The sections of this report are structured around the health promotion value chain – a simplified framework for a strategy to improve workforce health and well-being. By addressing these elements, organizations can develop a sustainable health promotion strategy that evolves and improves over time. The survey questions have been designed to explore each component of the model.



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PROGRAM PREVALENCE

Although most employers offer (or support in their local communities) at least one program that promotes the good health of their workforce, documented wellness strategies are not universally embraced. Sixty-six percent of the 1,248 organizations that participated in the survey indicate they have a formal wellness strategy (an increase from 49 percent since 2007). However, two-thirds of employers with a wellness strategy have not completely implemented their strategy.

This is not surprising given the newness of programs. Thirteen percent have implemented their strategy within the last year, and an additional 54 percent within the last two to five years.

Among multinational employers (organizations that employ workers in multiple countries), 54 percent have a global strategy (a significant increase from 41 percent last year and 34 percent in 2008). Clearly, multinational employers are expanding their strategies to encompass employees around the world.

Wellness programs are most prevalent in North America, where they are offered by 74 percent of surveyed employers, but employer health promotion continues to grow in popularity throughout the world, with 41 to 49 percent of surveyed employers providing programs to their employees in all regions outside North America.

STRATEGIC OBJECTIVES

The relative importance of wellness program objectives continues to vary by geography, as shown in Table 1. On average, the highest ranked objective continues to be improving worker productivity and reducing “presenteeism” (a measure of lost productivity due to health issues). However, this is the top objective in only three out of seven regions (compared to five of seven in the 2009 survey). Improving workforce morale and engagement has risen from the third to second position overall, likely reflecting growing employer concerns about employee engagement and/or a focus on well-being, after a decline due to the global recession.

Other highly ranked objectives include reducing employee absence, improving safety, and maintaining work ability (a measure of a person’s capacity to successfully do their job and manage working demands).

In contrast to the rest of the world, employers in the United States identify reducing the health care costs of their workers as the top objective. U.S. employers are keenly aware of the impact of rising health care expenditures on their business cost structure, especially in comparison to foreign competitors who do not bear a similar burden.

Table 1: Top Strategic Objectives for Wellness Programs – by Region

Priority	Africa	Asia	Australia	Canada	Europe	Latin America	United States
1	Improving workforce morale/ Engagement	Maintaining work ability	Improving workplace safety	Improving productivity/ Reducing presenteeism	Improving productivity/ Reducing presenteeism	Improving productivity/ Reducing presenteeism	Reducing health care/ Insurance costs
2	Improving productivity/ Reducing presenteeism (tie)	Improving workforce morale/ Engagement	Improving workforce morale/ Engagement	Reducing employee absence	Improving workforce morale/ Engagement	Improving workforce morale/ Engagement	Improving productivity/ Reducing presenteeism
3	Improving workplace safety (tie)	Furthering organizational values/ Mission	Reducing employee absence	Improving workforce morale/ Engagement	Furthering organizational values/Mission	Maintaining work ability	Reducing employee absence

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Table 2 identifies the top health risks or issues that drive employers' wellness strategies. These vary somewhat by region.

Table 2: Top Health Risks or Issues Driving Wellness Strategy – by Region

Priority	Africa	Asia	Australia	Canada	Europe	Latin America	United States
1	Stress	Stress	Stress (tied for #1)	Stress	Stress	Physical activity/ Exercise	Physical activity/ Exercise
2	Chronic disease (e.g., heart disease, diabetes)	Work/life issues	Nutrition/ Healthy eating (tied for #1)	Work/life Issues	Physical activity/ Exercise	Stress	Nutrition/ Healthy eating
3	Infectious diseases/ AIDS/HIV	Physical activity/ Exercise	Physical activity and Work/life issues (tie)	Physical activity/ Exercise	Work/life issues	Nutrition/ Healthy eating	Chronic disease (e.g., heart disease, diabetes)

Similar to last year's survey, stress is cited as the top health risk driving wellness programs in most areas of the world. This is not surprising, given economic and societal developments such as globalization, change in working patterns, and lack of job security that have made job stress a major detriment to employees' health and productivity in recent years, especially in light of the global recession. Stress has even led to alarming trends in employee suicides impacting employers in some Asian countries and elsewhere. In Europe, employers increasingly must comply with European Union legislation that seeks to identify and reduce psychosocial risks and work-related stressors. The legislation dates as far back as 1989 but has only recently been more purposefully recognized in national laws (including Italy, Spain and the UK).

Stress, however, is not the top issue worldwide. In the United States and Latin America, lack of exercise is the top health concern among participating employers. Stress ranks second in Latin America, but is a much lower priority (sixth) in the United States, likely reflecting different cultural attitudes toward stress and also perhaps a limited appreciation among some U.S. employers of the extent to which stress impacts health care costs (their top objective for wellness programs).

A more complete listing and analysis of the top 12 objectives and 18 health issues driving employer investment in wellness programs may be found later in this report.

PROGRAM COMPONENTS

Employers utilize a broad range of components in their wellness programs. Table 3 shows the relative popularity of these components by geography.

The most popular program element globally is flu immunizations, which provide an immediate return and can often be delivered to workers cost-effectively. The H1N1 virus pandemic over the last year has also increased participation in flu immunizations. Other popular resources are employee health screenings, including biometric screenings (such as blood pressure, cholesterol, and body fat), health risk appraisals (health and lifestyle questionnaires), and executive screening programs. Gym or fitness club membership discounts and company-sponsored sports activities also are among the most prevalent offerings in several geographies. This year, for the first time, workplace competitions (individual or team competitions for weight loss, physical activity, or other goals) are among the top five program elements in several regions. This reflects the rapidly growing popularity of such activities, as employers seek new ways to motivate and challenge employees to improve their health, leveraging social psychology and peer motivation.

Other popular program elements are health portals and websites, on-site classes, caregiver support, and employee health fairs.

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Table 3: Top Wellness Program Elements – by Region

Africa	Asia	Australia	Canada	Europe	Latin America	United States
Immunizations/ flu shots	Biometric screening	Immunizations/ flu shots	Immunizations/ flu shots	Immunizations/ flu shots	Immunizations/ flu shots	Immunizations/ flu shots
Biometric screening	Executive screening	Company-sponsored sports teams	Health portal/ website	Gym/fitness membership discount	Biometric screening	Health risk appraisal
Executive screening	Company-sponsored sports teams	Workplace competitions	Executive screening	Biometric screening	On-site classes	Gym/fitness membership discount
On-site classes	Immunizations/ flu shots	Health portal/ website	Health risk appraisal	Caregiver support	Health risk appraisal	Workplace competitions
Health fairs	On-site classes	Health risk appraisal	Workplace competitions	Executive screening	Gym/fitness membership discount	Health fairs

The fastest-growing wellness program components (see Table 4) include technology-driven tools, such as web-based health portals and healthy lifestyle programs, personal health records (an electronic summary of personal health information), and mobile technology (smartphone applications). By increasing the degree of personalization and leveraging technology, these tools seek to deliver greater participation and results than the one-size-fits-all efforts of earlier wellness initiatives. Online and mobile tools also frequently offer greater cost-effectiveness for employers, and availability to users at the time and place when they are most needed.

Strong growth also is predicted for programs designed to improve the psychosocial work environment (e.g., managing work demands and personal control, balancing effort and reward, supporting respect and trust in the workplace). This reflects an increasing appreciation among employers that management practices and the work environment can have a significant impact on the health and well-being of employees.

Other rapidly growing program elements include on-site resources such as personal health coaching, improvement in vending machine and cafeteria food choices, cycle-to-work programs and other physical activity and physical therapy support.

Table 4: Fastest Growing Wellness Program Elements – by Region

Africa	Asia	Australia	Canada	Europe	Latin America	United States
Health risk appraisal	Work/life balance support	Personal health record	Health coaching (online)	Web-based healthy lifestyle programs	Web-based healthy lifestyle programs	Healthier vending machines
Web-based healthy lifestyle programs	Web-based healthy lifestyle programs	Improving the psychosocial work environment	Health risk appraisal	Health portal/ website	Health portal/ website	Mobile technology (smartphone) programs
Improving the psychosocial work environment	Improving the psychosocial work environment	Health coaching (telephonic)	Biometric screening	Improving the psychosocial work environment	Improving the psychosocial work environment	Biometric screening
Healthier vending machines	Health portal/ website	Cycle-to-work program	Health coaching (on-site)	Workplace health competitions	Personal health record	Web-based healthy lifestyle programs
Workplace health competitions	Workplace health competitions	Cafeteria promotes healthy options	Healthier vending machines	Health risk appraisal	Workplace health competitions	On-site healthy lifestyle programs

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MOTIVATIONAL STRATEGIES

Employers utilize both financial and non-financial methods to encourage employee engagement in wellness programs and to motivate lifestyle-related behavior changes. Incentive rewards (and penalties) are used by many employers — 62 percent in the U.S. and 19 to 41 percent elsewhere. Rewards are most typically tied to participation in health screenings or educational activities. However, there is a growing trend of rewarding those employees that achieve specific health-related goals, such as maintaining cholesterol or body weight within a healthy range, or abstaining from tobacco use. This reflects a growing desire among some employers to hold their employees more accountable for the results of their health behaviors.

In the past, incentive rewards were used primarily in the U.S., but are now increasingly offered by employers in all parts of the world. Survey respondents plan to significantly expand incentive programs over the next few years, even though many (61 percent) perceive them as having proved to be only moderately (or less) successful thus far. This rise in use despite uncertain results may reflect a belief in the need to continue to increase the value of the incentive or experiment with differing approaches and types of incentives, in order to find the optimal motivational mix. Clearly many employers have not yet achieved their goals with incentives.

Financial incentives range from minimal amounts to \$3,000 U.S. dollars per employee, per year. In the United States, where financial incentives are most prevalent, the average annual value is \$220 per employee (up from \$163 last year), with a median value of \$150.

MEASUREMENT AND FINANCIAL OUTCOMES

A key challenge for employers continues to be measurement and validation of the effectiveness of their wellness programs. Although measurable positive outcomes are increasingly cited as being necessary to justify continued investment, only 37 percent of global respondents indicate that they have measured specific outcomes. It is more common for larger employers to measure outcomes (59 percent for organizations with more than 20,000 employees, compared to 27 percent for those with less than 500 employees). Employers in Latin America, Asia, and the United States report the highest incidence of measuring outcomes, though the variation between regions is not large (ranging from 25 percent in Australia to 42 percent in Latin America).

In the United States, where health care cost control is the primary strategic driver for wellness, 40 percent of respondents have measured the effect of wellness programs on their health care cost trend rate. Of these employers, 45 percent report a reduction, typically two to five trend percentage points per year. Given the significant cost of providing healthcare benefits to U.S. employees, reducing trend by even just a few percentage points can provide significant savings. But since today only a small percentage of U.S. employers can link their wellness programs to such tangible outcomes, this data raises the question: “Are the wellness services offered by most employers and the outcomes that are being incented impacting their primary objectives of reducing healthcare costs, increasing productivity and decreasing absenteeism?”

More globally, there also appears to be a gap between employers’ goals for their wellness initiatives and their ability to measure or demonstrate their success. The fact that organizations continue to offer wellness programs suggests they remain committed to their value. To some extent, employers also may recognize that measurable savings from health and behavior changes may take years to manifest.

COMMUNICATIONS AND CULTURE

Employers promote their wellness efforts through a variety of channels. This year, the use of the Web (72%) has overtaken the use of printed posters/flyers (70%) when measured on a global basis. More than half of participating organizations make use of some sort of targeted or individually tailored messages to engage employees in a more personalized way. Social media and mobile technology, while rapidly growing and receiving a lot of media attention, are currently used by less than 11 percent of employers.

An emerging concept in health promotion and wellness is that of a “culture of health,” defined as an organizational climate that promotes healthy lifestyle choices. Only 33 percent of participants believe that they have a culture of health today, but 81 percent intend to pursue it for the future. This significant gap between today’s reality and the intent for tomorrow indicates that a culture of health is perceived to be an ideal, and likely will be aggressively pursued by many employers.

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CONCLUSION

The results of this survey provide strong evidence that employers are increasingly recognizing the value of employee health and well-being to their organizations and their workforces, and are committed to promoting health and wellness as a business strategy. The trend toward further globalization of wellness programs continues, though most strategies and programs are new, having been implemented in the last few years.

Notwithstanding differences in objectives and approaches among regions, and significant challenges in motivating employee engagement and measuring program outcomes, continued expansion of health promotion initiatives seems certain.

Next year's survey will seek to further uncover what is driving outcomes, how they are being measured, and what the most successful health promotion programs have in common. Our goal is for the survey to serve not only as an ongoing benchmark, but also to become a practical resource for employers in identifying best practices and barriers, and ultimately reaching their specific wellness objectives.

FOR MORE INFORMATION

This Executive Summary highlights emerging trends and insights in employer-sponsored health promotion and wellness programs from the 2010 survey. The full report contains extensive details and in-depth analysis on program prevalence, objectives, components, motivational strategies, communication, measurement, and financial outcomes. Participating employers also shared their greatest wellness successes and their visions for the future of their wellness programs.

This executive summary is available in Chinese, English, French, German, Japanese, Korean, Portuguese and Spanish.

Also available are supplemental special reports, providing additional information and analysis for Brazil, Canada, Korea, Singapore, South Africa, and the United Kingdom.

For more information, please visit www.bucksurveys.com.

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- Associação Brasileira de Qualidade de Vida
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