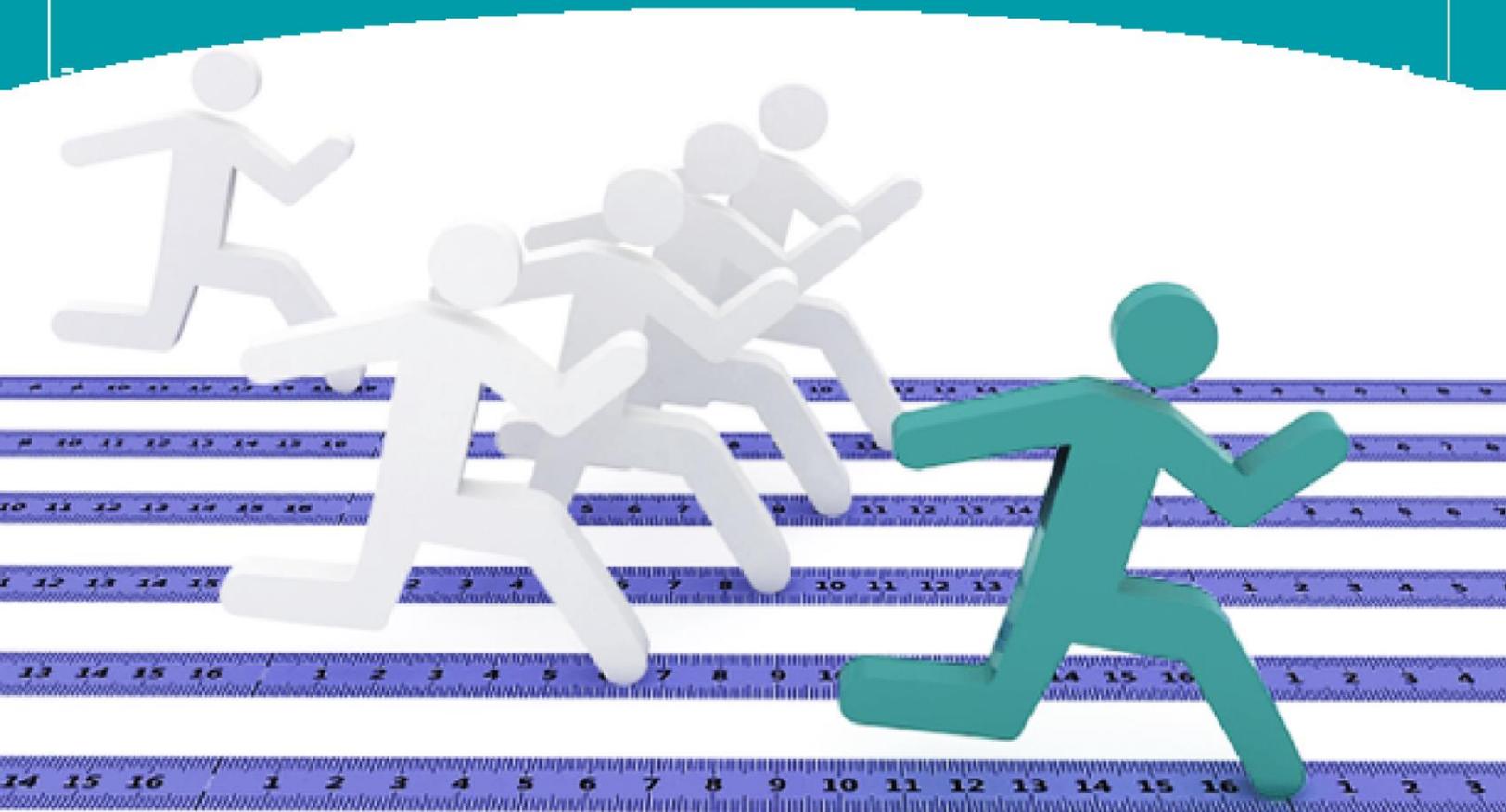


Measuring the Success of your Workplace Wellness Program is Critical



White Paper:

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In Canada, only about 24% of companies report that they evaluate their wellness programs regularly.¹ Yet, evaluation and measurement are critical factors that determine the success of any program. As the common adage goes, “you can’t manage what you can’t measure.” Without measurement, how can one determine if program goals and return on investment (ROI) are achieved?

Employers are reluctant to take on an added burden of investing in programs that do not pay off. Wellness programs in particular can be viewed as a risky investment as employers pay for something that is ultimately left up to employees modifying their behaviour. On the other hand, many employers feel compelled to invest in these programs due to a sense of corporate citizenship, personal values and beliefs, or to attract and retain future employees. Wellness programs that evaluate outcomes provide value-added to the company. In previous white papers, we have written about the benefits of comprehensive workplace wellness as well as the significant return on investment that they generate (available at www.wellnessolutions.ca). When measured and evaluated effectively, workplace wellness is not an area where skimping on investment pays off.

So what is measurement and evaluation? Put simply, it provides feedback on the program in terms of participation, engagement, satisfaction, improvements in employee health and economic benefits to your organization. It is critical to determine if a program is reaching its goals. Some things should be evaluated on an ongoing basis, some annually, and some bi-annually. For example, Health Risk Assessments (HRAs) should be conducted yearly, while you may choose to

¹http://naturalhealthcare.ca/benefits_of_a_wellness_program.phtml

measure participation on an ongoing basis, especially if multiple interventions are launched.

Thus, measurement offers the following critical success factors:

- Feedback for improvement
- Demonstration of value
- Tracking progress
- Reports for accountability
- Comparative data – within the organization and within the industry sector

Measurement is therefore a critical component of any wellness intervention, whether a one-time lunch-and-learn session or a multi-year comprehensive program. And, going hand-in-hand with measurement, is the collection of data or parcels of information that you need to measure results and determine whether you are reaching your goals.

Coming Up with your Measurement Plan

The Why

A first step in your measurement plan is to determine why your workplace wellness program is being offered. It is important to think of how the program can be defended, whether it is to critics or for funding, and is one of the primary reasons for measurement and evaluation. Employers may already be acutely aware of the challenges that are present within their organizations. So, before embarking on a wellness program, the essential first step is knowing exactly what kind of wellness issues are most common in the organization so the program can be tailored to address those specific needs. For example, best practices dictate that the first step in designing wellness interventions is to

deliver a Health Risk Assessment (HRA), also known as a Wellness Profile. The HRA is a confidential survey that provides each participant with a complete report about their current health and lifestyle based on up-to-date guidelines for optimal health. An aggregate report from all participants is then created for the employer which outlines: the major health issues in the organization, the readiness of employees for change, and the recommended interventions to address the identified issues. The HRA provides the baseline from which the success of interventions can be measured and evaluated and benchmarks the organization in comparison to industry standards.

Executing your Measurement Plan

The How

The second component in evaluation is understanding how the program will reach its objectives. This might also be called a strategy. It is important to determine the amount of support and an appropriate budget available to deliver the program. Describing how the program is organized provides decision-makers with information about how many resources, particularly time and staff, are required to administer the program. It is important to describe how each component contributes to the overall desired outcome of the program. What interventions will be offered? When will they be offered? And in what order? When will they be repeated? And when will the effects be measured? These are all questions to consider when designing a wellness program. And getting the appropriate data, helps you determine what aspects of the program are working well and which ones are not.

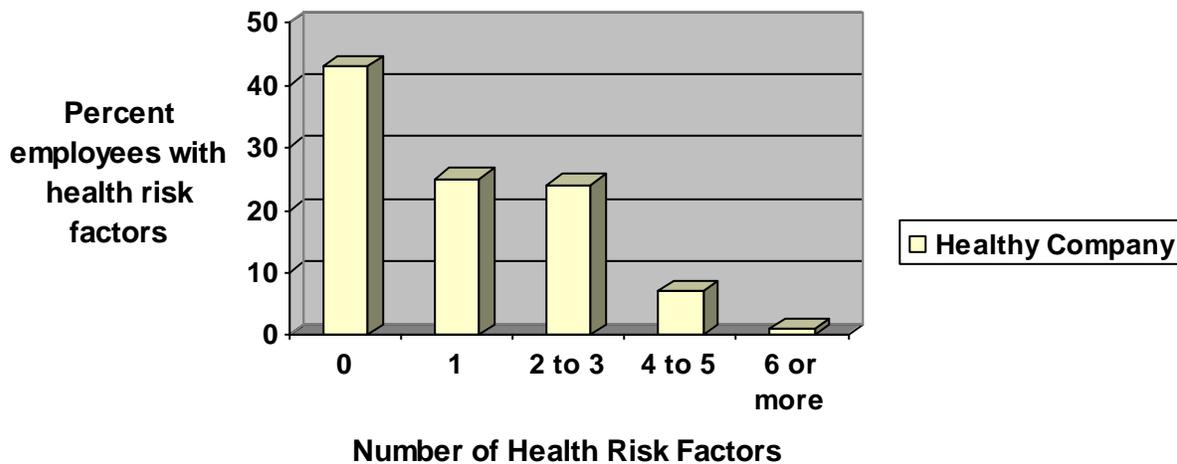
Measuring Success

The Results

Workplace wellness is typically measured in health and economic terms – e.g. changes in the health of employees and the return on investment and/or cost savings to the organization. The ideal measure of effectiveness of wellness

programs is an increasing number – the majority of the employees – in low health risk status, with 0-2 health risks. When the majority of employees are low risk, the organization is considered “healthy.”

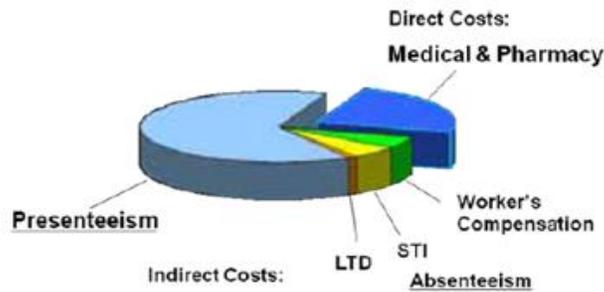
Figure 1 Profile of a “Healthy” Company²



Since unhealthy employees (3+ risk factors) cost the organization more, the greater number of employees that can move from high risk to low risk during the course of the wellness program results in more savings and a greater return on investment. The cost of poor health in organizations is shared directly and indirectly between lost productivity, presenteeism, absenteeism, and medical costs (Figure 2).

² Yen L.T., Edington D.W., Witting P. (2001). Associations Between Health Risk Appraisal Scores and Employee Medical Claims Costs in a Manufacturing Company. *American Journal of Health Promotion*, 6,1.

Figure 2 Costs of Poor Health³



Similarly, the cost associated with each of these variable increases with the number of risk factors (Table 1).

Table 1 Relationship of Absenteeism, Productivity, Health Claims Cost to Number of Health Risks⁴

Number of Risks	Excess Absenteeism days (%)	Excess Productivity Loss (%)	Increased Health Claims Cost (%)
0 Risks	0	0	0
1 Risk	0.6	1.9	31.7
2 Risks	1.2	4.4	66.7
3 Risks	1.9	7.5	103.2
4 risks	2.2	9.1	149.8
5 Risks	2.5	13	195.6
6+ Risks	3.1+	14.5+	252.0+

³ Adapted from: Edgington and Burton. A Practical Approach to Occupational and Environmental Medicine (McCunney). 140-152. 2003.

⁴ Burton, W., Chen, C. et al. (2005). The Association of Health Risk with On-the-Job Productivity, *Journal of Occupational and Environmental Medicine*, 47:796-777.

A person with 6 or more health risks costs more than three times as much as a person with no risks. In fact, reducing just one health risk increases an individual's productivity on the job by 9% and reduces absenteeism by 2%.⁵

As stated earlier, in a “healthy” company the largest proportion of employees have either 0 or 1 risk factor, indicating lower overall costs for the employer. Unfortunately, research shows that too often the largest proportion of employees has 2 to 3 risk factors, resulting in a higher cost for employers. Our 5-year study on the prevalence of modifiable health risk factors in over 6, 000 Atlantic Canadian employees, in 51 workplaces, revealed the following⁶:

- 70% Overweight (BMI > 25)
- 31% Obese (BMI > 30)
- 49% Inactive (less than 20-30 minutes of activity 3-5 times per week)
- 38% High Cholesterol
- 20% Smokers
- 16% High Blood Pressure

Stopping individuals with 0-2 risk factors from developing 3 or more risk factors can reduce employer expenditures on health care costs and economic losses as employees with fewer risk factors are more productive and miss less time. **An effective workplace wellness strategy is to stop the migration of people to higher risk and keep low risk people at low risk.** However, this strategy cannot be successful without measurement and evaluation.

Other indicators critical to success are: participation and engagement rates. Participation is the first target as the number of people taking part in the program gives immediate feedback. If people do not like the program, they will not participate, giving a clear, early warning signal that something needs to be changed. A participation of at least 60% is expected and necessary for benefits of workplace wellness programs to be realized. High participation and

⁵ Pelletier, K. (2005) A review and analysis of the clinical and cost-effectiveness studies of comprehensive health promotion and disease management programs at the worksite: Update VI 2000-2004. *Journal of Occupational and Environmental Medicine*, 47(10),1051-1058.

⁶ Makrides, L., Sawatzky C., Petrie, J. and Veinot, P. (2010) “Modifiable health risks in Atlantic Canadian employees: a 5-year report.” *Health Promotion International*, Vol. 25 (4).



engagement rate as well as satisfaction are critical to obtaining credible data on health and economic measures. And, as stated earlier, the HRA and other data collection methods repeated annually allow comparisons in employee health profiles, participation rates, organizational change and economic indicators – all critical pieces of a measurement plan – allowing an organization to manage its most important and costly resources, its human capital.

These issues are extremely important to the success of your program. Watch for our **next** White Paper on Participation and Engagement.

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