

Senior management buy-in considered key to any successful employee wellness program

By Bruce Shutan – Nov 30, 2010

About the author

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When members of the senior-management team practice what they preach about the importance of employee wellness or champion the health-promotion cause, they become all-stars in the eyes of their employees. But there's also a business imperative to embracing a robust plan, which makes it easier for employers to boost program participation and improve health outcomes – efforts that can help lower costs and increase productivity.

In a recent Webinar co-sponsored by Avivia Health and EBN, Melodi Licht, vice president, clinical strategy and implementation, noted: "We have found the stronger the commitment at the top level, the more likely companies are to have highly effective wellness programs with higher employee engagement. When a CEO is committed to personal fitness and the health of his or her workforce, managers and employees will positively respond."

Several captains of industry have tried to set a shining example for their own employees to follow, which lends instant credibility to program messaging.

One such individual is J. Barry Griswell, chairman, president and CEO of The Principal Financial Group, who is a towering presence at 6'9." He used to weigh nearly 300 pounds before slimming down to 246. Other steps included lowering his "bad" cholesterol (LDL) to 104 from 131 and raising his "good" cholesterol (HDL) to 66 from 47.

Another inspirational leader is Dennis Gilmore, CEO of First American Financial Corporation, who said: "We all know the benefits of a healthy lifestyle. When you're healthy, you not only look better, but also feel better and live longer. That's why First American is making a commitment to provide the tools and programs that will help our employees and their families achieve better health."

Then there's the case of Ted Townsend, who when he owned Townsend Engineering, eliminated barriers to wellness participation, hired staffers to lead the program, allocated generous space for the effort at the worksite and funded results-oriented initiatives.

Return on investment

While these anecdotes from the corner office put a human face on the corporate challenge associated with getting employees to embrace healthier living and sustain desired behaviors, the numbers show how they can make a world of difference in helping promote wellness program participation.

Towers Watson researchers recently found that the stronger the commitment is from the C-suite, the more likely companies are to have highly effective programs. For example, when health and productivity goals are linked to annual manager performance metrics, participation can be as high as 13%, whereas it can be as low as 2% without such support in place. Other findings show that when

managers and/or senior leaders volunteer to be health champions, participation can be as high as 42%, but plummet to just 9% without such involvement.

In addition, participation can reach 55% when senior leadership has allocated an adequate budget for health and productivity programs, but fall to 15% without the necessary funds. It also can be as high as 44% when senior management is involved in regular communication to employees about why good health is important and as low as 12% when that's not the case.

The potential return on investment (ROI) for an employee wellness initiative ranges anywhere from about 3:1 to 16:1, according to industry research published in the February 2010 issue of Health Affairs and April 2008 issue of the Annual Review of Public Health, but it depends on the corporate commitment. Ron Goetzel, Ph.D., an Emory University research professor, vice president of consulting and applied research for Thomson Reuters and co-author of one such study, describes the "ideal" annual investment as \$100 to \$150 per eligible employee.

The payoff for being proactive about improving employee health rather than reactive can be invaluable at a time when controlling health care cost increases is considered a top business objective. Dee W. Edington, Ph.D., a professor, research scientist and director of the University of Michigan's Health Management Research Center, believes that "senior leaders who embrace the new health care mode, which positions wellness first, and integrate this strategy into the organization's environment and culture, will create a competitive advantage in the marketplace."

Best practices

Securing senior-level support is so imperative that it's the first of seven best practices the Wellness Councils of America (WELCOA) has identified for developing a comprehensive and results-oriented corporate wellness program. In terms of metrics, such support is measured by the CEO's communication practices regarding wellness, resource allocation, delegation of tasks and personal health promotion practices.

Beyond these issues, WELCOA suggests that management must display a willingness to fund program development, implementation and evaluation, not to mention understand how the effort benefits staffers and the corporation alike. It also helps to have descriptions of what other businesses are doing about corporate wellness and linking the issue to business objectives, values and strategic priorities.

The senior-management team has a variety of levers it can pull to create a unique organizational culture of health. Says Licht: "Whether a top leader frequently communicates about wellness and personal fitness, encourages healthy food in the cafeteria or group activities at lunch time, employees will soon internalize the message that wellness is not a 'flavor of the month' but how we live."