

Sun Life-Ivey Canadian Wellness ROI Study Update

The Sun Life-Ivey Canadian Wellness Return on Investment Study is a workplace wellness research study conducted by Sun Life in alliance with the Ivey Business School at Western University. Read on for a summary of the final results.

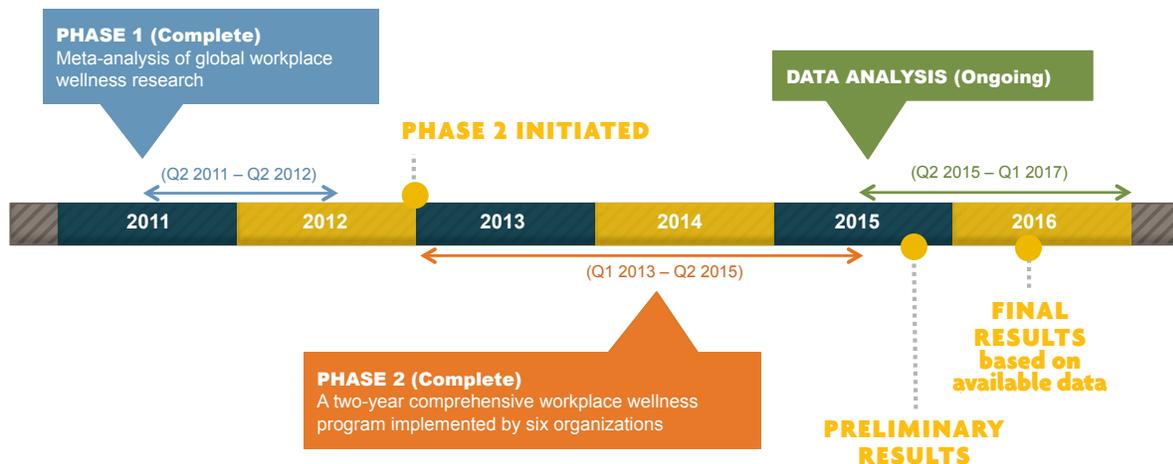
OPPORTUNITIES

- Establish Canadian benchmarks
- Contribute to best practice research
- Maximize the value of wellness
- Prompt new research in this field



MEASURING THE IMPACT OF WELLNESS

The Sun Life-Ivey Canadian Wellness Return on Investment Study is a workplace wellness research study conducted by Ivey Business School at Western University, in alliance with Sun Life Financial. After five years of research and analysis, we're proud to report that this first-of-a-kind study in Canada was recently completed. Although analysis is ongoing and may bring further insights, we are ready to share the study's key findings with you.



The learnings from five years of planning, program delivery and analysis have been significant. The study showed wellness programs can positively impact health behaviours and can reduce absence. Further, the study validated the key ingredients of wellness program success; an outcome with immense practical application.

On the flip side, while the research involved the most rigorous analysis of ROI possible, the study did not yield a definitive ROI number. The reasons for this were primarily due to the small sample size and the length of the study (two years) which proved to be too short to generate statistically meaningful data related to ROI.

We knew the challenges going in. As the first wellness research of its kind in Canada – and with the barriers of getting a sample size and timeframe that was meaningful for ROI purposes – we understood that the task of defining a specific financial ROI would be a tough journey.

What the study did reveal, however, was the significant and measurable value that wellness programs provide – from decreased levels of absence, to increased levels of physical activity, to greater awareness of risky health behaviours.

KEY FINDINGS ON ABSENCE – CONSISTENCY WITH U.S. ROI RESEARCH

One of the most important findings of the research was the positive impact of wellness programs on employee absences.

The findings were consistent with both U.S. and international studies:

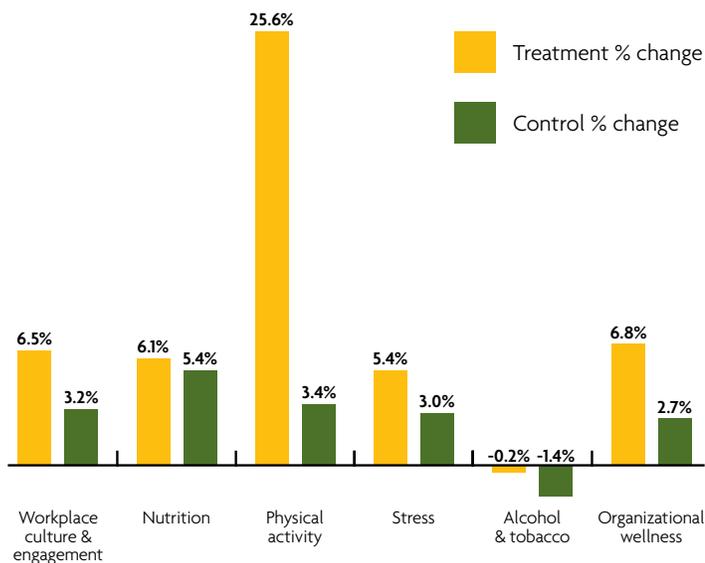
- **In Canada**, Phase 2 of the Ivey research was implemented with program groups (who participated in a comprehensive wellness program) and control groups (who received only basic wellness awareness). Over the course of the two-year study, absence rates in the program group decreased by 4%, versus an increase in absence of up to 23% in the control groups.
- **Outside of the U.S. and Canada**, the Ivey meta-analysis (analysis of existing research) found that wellness programs saved 1.5 to 1.7 days of absenteeism per year.
- **In the U.S.**, the landmark meta-analysis research carried out at Harvard University in 2010 suggested an ROI of \$3.27 for every dollar invested in wellness programs, with \$2.73 of that related to a decrease in absence alone.

KEY FINDINGS FROM THE STUDY

The impact of full wellness program participation was pronounced. The overall wellness score of the treatment group increased by 6.8%, versus a 2.7% increase for the control groups. The increase in self-reported physical activity was the most significant, with activity increasing by 26% for the treatment group versus just over 3% for the control groups.

Figure 1:

ORGANIZATIONAL WELLNESS INDEX SCORE % CHANGE (BEGINNING TO END OF STUDY)



The overall wellness score was based on a survey that was weighted based on a review of academic health literature. The factors that made up the survey and their relative weighting were as follows:

- Workplace culture and engagement (44%)
- Nutrition (11%)
- Physical activity (11%)
- Stress (22%)
- Alcohol and tobacco (11%)

Overall, 74% of wellness program participants reported positive lifestyle effects as a result of the wellness program – and 92% wanted their organization to implement more wellness programs.

ENCOURAGING FURTHER CANADIAN RESEARCH

Academic research is cumulative, and future studies will now build on this foundational work to gain greater insights into wellness benefits and ROI measurements. One of the key findings of the Ivey study was the greater insights we gained on the difficulty of measuring wellness programs in terms of ROI. These challenges included:

- The cost of implementing and measuring programs over a long enough duration to see results.
- The difficulties in generating an adequate sample size because of rigorous qualifiers for participating organizations, such as no prior wellness programming.
- The complexity of controlling for the many variables that influence health data.
- The changing health landscape and impact on wellness program design.
- The impact on results when organizational changes occur that affect study participants and workplace culture.
- The challenges, when conducting research outside of a controlled study environment, of analyzing all data on an individual employee level.

The ground-breaking research conducted by Ivey – and the challenges that it revealed – will help shape future research in this important area.

THE POWER OF HEALTH AWARENESS

One of the unexpected findings of the research was the link between an individual's level of awareness of their cardiovascular disease (CVD) risk factors, and their health behaviours.

The finding was published in the May 2016 issue of the Journal of Environmental and Occupational Medicine: "Cardiovascular disease risk awareness and its association with preventive health behaviors: Evidence from a sample of Canadian workplaces."

According to the research findings, 39.5% of employees did not know their risk level for at least one of their CVD risks before participating in a screening clinic that measured three CVD risk factors (weight, blood pressure, and cholesterol). The risk factor for which there was least awareness was cholesterol levels (30.8% did not know if they had high cholesterol or not).

The research found a correlation between lower levels of risk awareness and less optimal health behaviours. Individuals who did not know at least one of their risk factors were significantly:

- less likely to report achieving recommended levels of weekly physical activity;
- less likely to report consuming at least three servings of fruits and vegetables;
- more likely to report consuming fast food meals at least once a week.

It's a significant finding. According to the World Health Organization, CVD is responsible for 31% of deaths worldwide,² and yet research has shown that 80% of cardiovascular-related mortality is preventable.³

UP THE VALUE

In order to truly gain value from workplace wellness programs, it's important to identify your organizational objectives. Consider, for example:

- **Competition for talent:** We know employees expect employers to support their health; are wellness programs table stakes for your industry? Or can they help differentiate?
- **Employee engagement:** Research, including this study, shows employees who participate in wellness programs report higher levels of engagement and productivity. The increase in engagement of the wellness program participants was 6.5%, versus 3.2% for the control group (figure 1). And from our own experience in working with employers, we have seen cases of improved employee engagement or client satisfaction scores that have been credited to the wellness program.
- **Qualitative value:** Based on over a decade of delivering wellness programs, we know that individual employees regularly credit wellness programs with flagging a critical health issue, or even saving their life. Saving a life, preventing the onset of chronic disease, and preventing an LTD claim are all "returns" that go far beyond the cost of a standard program.

The key here is for employers to set clear objectives that tie organizational health to business performance, with consideration to both quantitative and qualitative metrics.

GET STRATEGIC – AND MAXIMIZE THE BENEFITS

Measuring the ROI on organizational health and wellness programs is challenging, even for some of Canada's top researchers. At the employer level, this task can be daunting.

The good news is that there are ways you can help ensure the success of your program – and maximize the value to your organization and the benefits to employees. The Ivey research, and our experience delivering programs to some of Canada's most well known organizations, have reinforced the benefits of taking a targeted approach to wellness.

A STRATEGIC FRAMEWORK TO FOLLOW:



FIVE BEST PRACTICES TO SUPPORT OPTIMAL WELLNESS STRATEGY DESIGN AND IMPLEMENTATION

1. Leadership

Strong commitment and visibility from senior leaders and middle level managers – with a show of leadership by example – can be instrumental in creating a healthy workplace culture and lasting program success.

2. Policies and practices

The organization's existing policies and practices should reflect a culture of health – or be amended to ensure consistency with company values, including commitment to a healthy workplace.

3. Communication

Communications is critical. The extent to which employees understand your commitment to employee health and understand the wellness offering – and the benefits and incentives associated with it – will largely determine the success of the program.

4. Targeted programs

Identify your top priority health risk areas, then create an action plan that incorporates employee and organizational level actions to address these.

5. Evaluation

Evaluation involves an analysis of outcomes and a revisiting of benchmarks – and can confirm whether objectives are being met. These analyses can also provide insight into how your strategy can be improved.

These interrelated practices can ensure you're targeting the wellness areas that offer the most significant benefits to your organization and your workforce – with the support needed to sustain participation and program success.

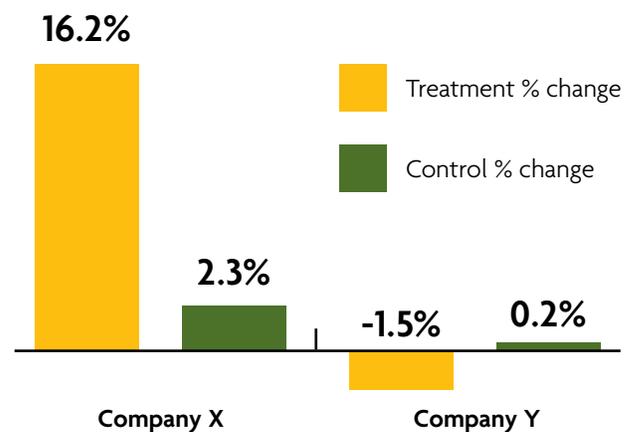
THE IMPORTANCE OF LEADERSHIP IN WELLNESS SUCCESS

Leadership and a healthy workplace culture are essential to positive program outcomes, and we saw this first hand during Phase 2 of the research.

The best company (Company X) had engaged management, promoted the program well and achieved excellent results. The company with the worst results (Company Y) experienced a high level of organizational change during the two-year time period, with high levels of work related stress. In fact, the leadership team that had introduced the wellness program was no longer in place by program's end.

Figure 2:

THE IMPORTANCE OF LEADERSHIP IN WELLNESS SUCCESS (A COMPARISON OF TWO COMPANIES)



GET THE MOST FROM YOUR INVESTMENT IN WORKPLACE WELLNESS

While we continue to define wellness ROI in a Canadian context, the evidence supporting the value of wellness programs continues to climb. With best practices that we can now say are supported by a rigorous Canadian study, employers are in an excellent position to drive the maximum value from their investment in healthy workplaces and healthy employees.

¹ Cardiovascular Disease Risk Awareness and Its Association With Preventive Health Behaviors: Evidence From a Sample of Canadian Workplaces", Jacobs, Josephine C. PhD; Burke, Shauna PhD; Rouse, Michael PhD; Sarma, Sisira PhD; Zaric, Greg PhD, JOEM, Volume 58, Number 5, May 2016

² World Health Organization. Cardiovascular Diseases (CVDs), Fact Sheet No. 317. 2014. Available at: <http://www.who.int/mediacentre/factsheets/fs317/en/>. Accessed June 24, 2016.

³ Buttar HS, Li T, Ravi N. Prevention of cardiovascular diseases: role of exercise, dietary interventions, obesity, and smoking cessation. *Exp Clin Cardiol.* 2005;10:229–249.

Visit sunlife.ca/wellnessROIstudy for more resources.