

March 2012

A strategic dose of wellness

Your prescription to a healthier organization



Another **Bright Paper™** brought to you by Sun Life Financial – Group Benefits.
Research based on the 2011 Buffett National Wellness Survey.

Life's brighter under the sun



Too few organizations are taking a strategic approach to wellness

The ability to effectively support the health and wellbeing of your employees presents a powerful opportunity to set your organization up for greater success. There is no doubt, organizations that have taken action to build a culture of wellness are reaping great rewards in terms of enhanced productivity, employee engagement and benefits cost containment.

The 2011 Buffett National Wellness Survey, a national survey of Canadian employers, confirms that workplace wellness has hit the mainstream. Ninety-seven percent of survey respondents agreed that employee health is directly related to corporate success, while 72% reported offering at least one wellness initiative to their employees.

These numbers paint an encouraging picture; however, if we take a closer look at the survey's results, we get a more sober view. Although many Canadian organizations have taken steps toward supporting the health and wellbeing of their employees, the majority have not yet made a strategic commitment to wellness – the type of commitment required to achieve significant results.

Very telling are the most common wellness initiatives that survey respondents report offering their employees. Lower impact initiatives topped the list – such as flu vaccinations (70%), CPR training (64%) and ergonomic workstation assessments (58%). While initiatives of this type have value and a place, it is unlikely they will have a meaningful impact on the prevention of high cost chronic illness. Meanwhile, the study found that many high impact initiatives that require greater organizational commitment are offered much less frequently, programs such as blood pressure screening (30%) wellness needs assessments (19%) and cholesterol screening (18%).

In total, the Buffett survey found that only 26% of respondents report taking a strategic approach to wellness – a planned approach defined in the questionnaire as including data analysis, multiple initiatives, follow-up, continuous evaluation and calculation of return on investment.



About the 2011 Buffett National Wellness Survey

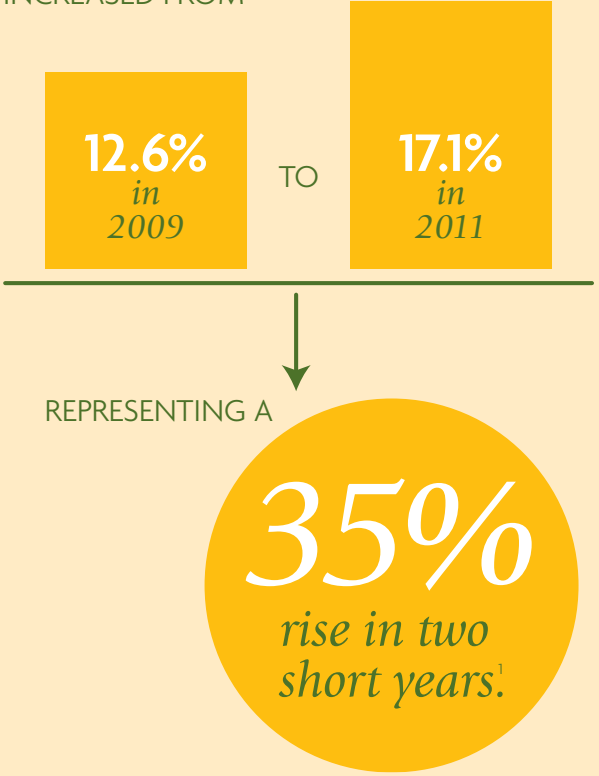
Launched in 1997, the Buffett National Wellness Survey is a pioneering study delivering key insights and leading trends into workplace wellness in Canada. The 2011 online survey was conducted in the spring and summer of 2011 and presents findings from a national sample of 677 Canadian employers across the public, private and non-profit sectors.

Workplace wellness is no longer just a nice to have

The incidence of chronic disease is rising and is exacting a growing toll on Canadian organizations. Health conditions – such as diabetes, heart disease, cancer and depression – continue to increase significantly, impacting organizations' productivity and causing their medical costs to escalate.

The good news is that most chronic conditions are preventable. According to the World Health Organization (WHO), approximately 80% of heart disease and diabetes, and 40% of most cancers are largely preventable – through proper diet, physical activity and smoking cessation.² Given this, and the reality that organizations can have a tremendous amount of influence over the health of employees, promoting healthy lifestyles in the workplace is something that deserves a spot high on the corporate agenda. Further, employees are looking to their employers to support them, with six in ten Canadians reporting their employer has some responsibility in ensuring their good health.³

HEALTH AND PRODUCTIVITY COSTS AS A PERCENTAGE OF CANADIAN PAYROLLS INCREASED FROM



ORGANIZATIONS WITH HIGHLY EFFECTIVE HEALTH AND PRODUCTIVITY PROGRAMS REPORT 11% HIGHER REVENUE PER EMPLOYEE AND 28% GREATER SHAREHOLDER RETURNS.⁴

Getting on the right path

Wellness, like any other business initiative, will have a limited likelihood of achieving meaningful, positive results if organizations undertake it superficially. The evidence points to the reality that only a small minority of Canadian organizations are firmly on the path to reaping the rewards of a strategic workplace wellness model.

To change this picture requires that far more Canadian organizations commit to wellness by developing and following a strategic approach. Contrary to what many may believe, this does not have to be expensive or daunting. Nor do organizations have to go it alone – an experienced workplace wellness partner/provider can help them develop and execute a comprehensive wellness plan.

The strategic approach that is right for each organization will vary depending on their employee health profiles, industry and overall objectives. However, there are fundamental ingredients.

Drawing on over fifteen years of experience in designing and implementing workplace wellness programs at hundreds of Canadian organizations, **Sun Life has identified five key elements that underpin approaches that deliver significant results:**



Effective wellness is attainable – and affordable

51% of respondents in the **2011 Buffett National Wellness Survey** identified lack of budget resources as their #1 barrier to implementing wellness. While this paper examines comprehensive initiatives under each of the five elements, wellness program development is not an all-or-nothing event. For most employers, it's a progressive undertaking – and there are practical and simple steps under each factor that can be taken now to build a foundation for an effective long-term program.

OUR CLIENTS IN ACTION

A strategic approach to wellness at York Region



An organization that has integrated all five elements in the development of its wellness program is the Regional Municipality of York. The Region introduced the program in response to information garnered from staff in the Region's first Employee Satisfaction Survey in 2006. They partnered with Sun Life's Health & Wellness team in the execution of a strategic approach - focused on achieving a culture of wellness with high impact results.

Senior management endorsed the program's development and continue to champion the initiative. To provide baseline data the initial phase of the program included a wellness survey, health risk assessment, and a benefit and drug usage analysis. These were all conducted confidentially – and the employer was provided with aggregate data only.

A wide variety of wellness initiatives – such as smoking cessation programs, health challenges and health risk screenings – were introduced in response to the needs assessment and survey results, with a focus on making the programs interesting, fun and relevant. Creating a wellness program based on the interests and needs identified by staff was a key contributor to the program's success.

Communication of the program was continuous, with use of posters, an electronic message board and a dedicated wellness website. And small incentives, such as healthy-eating cookbooks, calendars and playing cards with wellness messaging, were offered to help maintain interest.

A series of metrics to gauge success and effectiveness of the various programs were used, and analysis and reporting occurred annually. This reporting and ROI evaluation gave credibility to the value of the program and helped ensure wellness was not only part of the Region's culture but that a healthy workplace remained a strategic business goal.

The Region is currently in its sixth year of programming – indicating the organization's ongoing commitment to wellness. The resulting cost savings are impressive – especially given the organization's size of approximately 3,400 employees. The projected five year savings from health risk screenings and smoking cessation alone are estimated to be \$240,000.

* 2011 Buffett National Wellness Survey

5 KEY ELEMENTS OF A STRATEGIC APPROACH



Commitment from leadership



Assessment



Communication



Incentives



Continuous evaluation



Seizing the wellness opportunity with a strategic approach

Five key elements

Here is a closer look at the five key elements at the foundation of successful approaches to workplace wellness.



Commitment from leadership

Support from top management is essential to the success of any organizational strategy – and wellness is no exception. A strong commitment from senior managers – with a show of leadership by example – is instrumental in creating a wellness culture and lasting program success.

This stakeholder commitment can be shown in a number of ways, such as:

- volunteering to be a health champion through exemplary participation
- establishing adequate budgets to support the initiative
- regularly communicating the importance of a healthy lifestyle
- including employee health in a list of the organization's strategic imperatives

Steps to improve stakeholder commitment

- Align wellness initiatives with core business objectives (vision, mission, strategic priorities, and financial position).
- Position wellness to show senior management that it can increase the competitive advantage of the organization (for example, that healthier employees lead to more productive intellectual capital and more manageable health care costs).
- Highlight to senior management the positive outcomes of other successful companies – based on goals that are reasonable and attainable.



Expert help

Leading providers of workplace health and wellness solutions can help organizations by:

- demonstrating solid business case evidence
- providing case studies of Canadian organizations that have realized positive outcomes from a wellness strategy
- developing an effective wellness strategy proposal that meets both employee and organizational needs

A STRONG COMMITMENT FROM SENIOR MANAGERS – WITH A SHOW OF LEADERSHIP BY EXAMPLE – IS INSTRUMENTAL IN CREATING A WELLNESS CULTURE AND LASTING PROGRAM SUCCESS.



Assessment

Assessment is the most overlooked element of program development. It is also one of the most critical. If you don't assess what your employees needs are, it is unlikely that you will be able to design a program that will maximize its impact on their health and wellbeing.

In many cases assessment activities are performed at the outset of the program as benchmark data collection. These activities should be revisited on an ongoing (typically annual) basis to provide high level data on overall employee needs, interests and current health risks. There are three primary ways of doing this.

- **Health risk/ wellness interest/cultural assessment:** An assessment survey lets employees self-report on the status of their health and their health goals and wellness interests as well as perceptions of organizational culture relating to things such as morale and job satisfaction.
- **Biometric testing:** A short health screening can determine an employee's risk for certain diseases and medical conditions – and categorize them into low, medium

or high risk categories. This lets an organization address its most prevalent health risks – and provides benchmark data that can be used to compare future results and assess program success. Some organizations also build in calculations related to their return-on-investment in offering a wellness program.

- **Benefits claims analysis:** An analysis of an organization's group health plan data can show patterns of use and help an organization target health initiatives to manage underlying risks and contain benefit plan costs.

ASSESSMENT HELPS TO IDENTIFY TOP PRIORITY HEALTH RISK AREAS AND COLLECT DATA THAT PROVIDES A BASELINE OF THE HEALTH STATUS OF EMPLOYEES.

Steps to creating effective assessment

- Gauge employee health status and interests via Health Risk Assessments and employee interest surveys. In addition to health related questions, collecting data on how employees prefer to receive wellness communications, as well as feedback on convenient times and venues are also critical to effective program rollout.



- Benchmark organizational culture indicators as well as employee health metrics and reassess these at regular intervals annually. Incorporating job satisfaction questionnaires into annual wellness interest surveys can help an organization gauge the status of employee engagement, morale and satisfaction.
- Perform a combined analysis of health benefit data and program outcomes on an annual basis to identify health risks, calculate the projected costs of these risks to the organization and find opportunities to reduce the financial impact.

Expert help

Leading providers of workplace health and wellness solutions can help organizations by:



OUR CLIENTS IN ACTION
*Assessment at the
Town of Markham*

The Town of Markham recognizes the importance of assessment to its overall wellness strategy as a means of ensuring the programming offered is both appropriate and effective.

In 2000, the Town collected baseline health benefits data (prescription drug claims, disability claims, etc.) to use as a benchmark for comparison against data in future years. And the Town continues to assess wellness success and opportunities through annual health benefits data collection and analysis. This information has proven to be invaluable to the Town as it drives program planning that generates high participation rates and yields valuable results.

Employee health metrics are also collected on a regular basis via screening programs and give further insight into the health conditions currently affecting employees. Assessment outcomes are shared with senior leadership to ensure continued high-level interest and support for the program.

The Town’s commitment to comprehensive assessment practices has built the foundation for its successful and thriving wellness program. In recognition of the Town’s ongoing work in the areas of wellness and quality, the organization received the Silver level of the Canada Award for Excellence for Organizational Quality and Healthy Workplace from Excellence Canada, formerly known as the National Quality Institute of Canada. The Town is now working towards Gold level certification.

- providing confidential, third party completion of a comprehensive data analysis
- appropriately designing and implementing an effective HRA and wellness interest campaign
- integrating programs that allow for biometric data collection and health risk tracking into a wellness strategy



Communication

Communication is a critical component of any wellness initiative. The extent to which employees understand the wellness offering – and the benefits and incentives associated with it – will largely determine the success of the program.

A communications strategy should:

- be integrated and make use of multiple channels to increase the reach of the message
- include messaging from senior management, to demonstrate that the program is clearly supported by leaders
- target specific wellness initiatives identified by the organization

Wellness communications should be both ongoing and updated to keep the message fresh and employees engaged. Many successful programs also have formal or informal champions within the organization who are able to raise awareness, boost enthusiasm and provide peer support.

Steps to creating effective communications

- Create a steering committee with representatives from multiple areas and levels of the organization to serve as wellness champions. This committee can help determine the most appropriate programs and lead communication efforts for their respective groups.
- Brand the design and dissemination of wellness communications material to ensure the wellness message is clearly distinguishable from other communications.
- Keep the message alive by communicating regularly.

THE EXTENT TO WHICH EMPLOYEES UNDERSTAND THE WELLNESS OFFERING – AND THE BENEFITS AND INCENTIVES ASSOCIATED WITH IT – WILL LARGELY DETERMINE THE SUCCESS OF THE PROGRAM.

Expert help

Leading providers of workplace health and wellness solutions can help organizations by:

- creating targeted campaign marketing
- helping guide and maintain the steering committee





OUR CLIENTS IN ACTION

Communications at Canadian Blood Services

When it comes to wellness communication, Canadian Blood Services (CBS) firmly believes there is no “one way to do it.” So they developed a highly integrated communications strategy that involved a number of different elements.

The results have been impressive. Their wellness program – THRIVE – has been embraced by all regions across Canada and employees understand and are talking about the program. Here are some of the key communication elements that contributed to the program’s success.

- **Logo/Slogan contest.** A logo/slogan contest kicked off the wellness program and allowed employees to submit a vote via both paper and e-ballots to select the logo for the wellness program. More than 1,300 employees responded. As soon as the brand was picked, it was placed on all wellness materials – and a story about the logo was published in the organization’s newsletter.
- **Getting the brand out:** THRIVE pins were created and handed out to employees who attended wellness events. In addition, two THRIVE-branded soccer balls were used to “Get the ball rolling” when an Occupational Health Nurse went out to fun events or meetings. CBS encouraged groups to challenge their counterparts to get their picture taken with the THRIVE ball and post it on the website.

Our communication strategy was designed to create a buzz that something big was coming and it would be fun! This resulted in an overwhelming response from the employees to pick the logo and name of the program. The logo was then made into pins and to receive a pin employees have to take part in a wellness activity. It is exciting to see just how many employees are wearing the pins.

Patricia Paone
Manager Employee Health
and Wellness

- **Interactive website:** An external wellness website was developed to give employees and their families 24/7 access to wellness articles, newsletters, an appointment scheduler for such activities as the flu vaccine program, and other resources – such as a link to the Employee Assistance Program. To further boost engagement, the organization created an “Interactive Zone” where thoughts or pictures on wellness could be posted and local wellness committees could also post their activities.



Incentives

The use of incentives in a wellness program is an increasingly popular way to boost employee interest and participation – and motivate positive health behaviour changes. The use of financial rewards as part of a wellness program increased by 50% from 2009 to 2011⁵ – and offering incentives increases participation by approximately 60% according to a 2011 study by the Incentive Research Foundation.⁶

While many incentives are small, short-term “one-off” items – gift cards, water bottles, t-shirts, a day off – there is a growing trend to using incentives with a more strategic, longer-term focus. More strategic uses can include:

- **Wellness points** – where employees receive wellness points upon completing a wellness program component. These are deposited into Wellness Spending Accounts and can be spent on wellness-related activities.
- **Flex plan bonuses** – where employees that meet a minimum requirement for wellness participation receive a monetary amount to cover expenses that are health related – and not reimbursed by their health plan.

The type and scale of incentive that is most effective will depend on what employees value, what is appropriate from an organizational culture perspective, and the scope of the allocated budget.

Steps to creating effective incentives

- Make it easy for employees to participate in the activity being incented.

- Make the value of the reward proportional to the effort level for the required activity.
- Ensure the incentive reward process is easy to understand – with accurate incentive details provided and prompt delivery of the incentive once the prerequisite is completed.

OFFERING INCENTIVES INCREASES PARTICIPATION BY APPROXIMATELY 60% ACCORDING TO A 2011 STUDY BY THE INCENTIVE RESEARCH FOUNDATION.

Expert help

Leading providers of workplace health and wellness solutions can help organizations by:

- developing strategic incentive campaign design
- creating incentive campaign marketing
- providing expert implementation of the incentive strategy
- providing incentive tracking



OUR CLIENTS IN ACTION

Incentives at The Economical Insurance Group

Based on a need for higher levels of employee engagement, The Economical Insurance Group (TEIG) took its existing Fitness Reimbursement Program and replaced it with a comprehensive wellness strategy in 2008. The program has proven to be very popular, with 70% of the company’s 2,500 employees participating each year.

One of the key elements to the program’s success is the use of incentives that reward employees for their participation in various elements of the program. Each year, every employee has the opportunity to earn \$300 toward their Personal Wellness Account (PWA) for the following calendar year. This account can be used for health related purchases such as gym memberships, fitness equipment and specialized sports gear. To keep the program fresh, different elements are integrated each year

The strategy has worked well for employees. In its most recent employee engagement survey in 2010, the creation of the PWA and TEIG’s on-going commitment to wellness delivered a 16% increase in engagement levels. It was highlighted by employees as a key engagement feature and a welcome addition to TEIG’s many other employee programs.

And it’s worked well for TEIG too. By using the data gathered from its annual biometric clinics, on-line wellness assessments and fitness challenges, TEIG has realized approximately \$610,466* in cost avoidance dollars since 2008.

* 2011 Biometric Clinic Report



Continuous evaluation

The evaluation of a wellness program – which involves an analysis of initiative outcomes and a revisiting of high-level benchmarks at the program level – can ensure objectives are met. This on-going analysis also provides insight into how a program can be improved as part of the annual planning cycle. Program evaluation is typically conducted frequently throughout the programming year, so that issues and opportunities can be identified early and acted on quickly.

Steps to creating effective evaluation

- Benchmark employee health metrics and reassess programs over time so that health improvements can be tracked.
- Determine high-impact metrics for collection after each initiative (employee health risks, participant behaviour change, knowledge ratings, program content feedback, etc.)

- Integrate follow up opportunities wherever appropriate and use initiative specific benchmarks as comparative data to determine successes and opportunities

Expert help

Leading providers of workplace health and wellness solutions can help organizations by:

- supporting a strategic planning process for wellness by building in needs assessments, continuous evaluations, data to ensure strong integrated annual plans and key outcomes and metrics identified
- integrating measurement processes into wellness campaign events
- completing reporting on all initiatives that communicate aggregate results and cost avoidance opportunities
- developing confidential employee feedback methods (feedback email address, website, etc.)

Charting your journey

The move to workplace wellness provides a great opportunity for organizations to realize their full potential. But seizing this opportunity requires a well-planned, strategic approach.

Building a successful wellness program is a journey, not a one-time event. By making the commitment of developing a strategic plan now that begins to address each of the five elements, even with small steps, your organization will put itself on the right footing to build a program that provides meaningful, lasting value.

And organizations don't have to go it alone. At any point in the journey, expert advice and support from a leading provider of workplace health and wellness solutions can help an organization progress – and get the most impact and value from their program.



OUR CLIENTS IN ACTION

Continuous evaluation at the Town of Richmond Hill

At the Town of Richmond Hill, continuous evaluation of the wellness program is a critical element of the program design. It ensures that the Town continues to provide programming that meets employees' evolving health and wellness needs and interests.

The Town uses several evaluation methods to determine employee satisfaction with the program and collect important metrics that contribute to the continuous improvement of the program.

- A bi-annual wellness interest survey lets employees provide feedback on the overall program – and on future programming they would like to see. This data helps to ensure the program always mirrors the current interests of the workforce.
- Post program and assessment surveys are key to evaluating how effective programs are at increasing knowledge and facilitating behaviour change. Participation metrics are also benchmarked and used comparatively with future and past programs.
- The annual collection of employee health metrics through a comprehensive screening programming provides an extensive database of employee health data.

As a result of the high survey participation rates, the Town has a much better idea of the needs and interests of its workforce.

This yields great results for the program overall. It's helped the Town engage staff, attract and retain great employees, create a healthy and fun workplace, and consistently maintain an absenteeism rate that is lower than our municipal peers.

*Debra A. Wight,
CRSP, Manager,
Employee Health, Safety & Benefits*

Each year data collected is compared to previous years to determine actual health risks. Participants are tracked to identify health risk improvements made over time and cost avoidance outcomes.

- Ongoing requests for feedback via the Town's wellness website provide employees with a feeling of ownership in the program. This information is also a very important input into program planning.

1 Towers Watson: Staying@Work 2011/2012
2 World Health Organization, "Preventing Chronic Disease: A Vital Investment", Geneva: WHO, 2005.
3 2010 Sun Life Canadian Health Index
4 Towers Watson, Staying@Work, 2009/2010 survey
5 Towers Watson 2011/2012 Staying@Work survey
6 Allan Schweyer, "Energizing Workplace Wellness Programs: The Role of Incentives Rewards and Recognition," Incentive Research Foundation, July 2011.



About Sun Life

A market leader in group benefits, Sun Life Financial serves more than 1 in 6 Canadians, in over 12,000 corporate, association, affinity and creditor groups across Canada.

Our core values – integrity, service excellence, customer focus and building value – are at the heart of who we are and how we do business.

Sun Life Financial and its partners have operations in 22 key markets worldwide including Canada, the United States, the United Kingdom, Hong Kong, the Philippines, Japan, Indonesia, India, China and Bermuda.

Wellness expertise from Sun Life

As a leading Canadian provider of employee health and wellness programs, we have extensive expertise and experience in the role that healthier living can play in preventing or reducing the severity of illness and disease. Through the Sun Life Canadian Health Index™, the Buffett National Wellness Survey and the programs we offer, we will continue to play a role in:

- engaging Canadians with the aim of improving their health
- promoting a better understanding of the role that employers can play in optimizing and protecting the health of their workforce

- providing wellness solutions that improve workplace health and productivity.

For more information about the benefits of workplace wellness programs and our comprehensive HealthyRETURNS product suite, visit www.sunlife.ca/wellnessinstitute, or contact your Sun Life Financial group representative.

Life's brighter under the sun

Group Benefits are offered by Sun Life Assurance Company of Canada, a member of the Sun Life Financial group of companies.

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