



# HEALTH AND WELLNESS IN WORKPLACES: WHAT WORKS?

## ROI Analysis of Health & Wellness Interventions

### EXECUTIVE SUMMARY



## SUMMARY

Employers realize that looking after the health of their workforce goes beyond simply providing a health insurance package. This is especially true since the onset of the COVID-19 pandemic, which meant people have prioritized their health and well-being more so than before. As this has continued, there is a growing expectation that these benefits are carried over to the workplace.

Most companies know that a healthy workforce can produce direct economic benefits such as lower rates of absenteeism, reduced healthcare-related costs and higher productivity. However, the challenge remains in knowing how to organize, develop and evaluate wellness programs. This includes justifying the return on investment for such programs, as a lack of data and measurable results are often a discouragement.

To help solve this, Cigna commissioned the “Health and Wellness in Workplaces: What Works? - ROI Analysis of Health & Wellness Interventions” report, in partnership with Asia Care, a leading research consultancy, to conduct the largest systemic review on the impact of workplace wellness interventions.

The report offers practical guidance and advice to businesses and HR leaders who wish to develop their own employee wellness programs. The report addresses how to support health and well-being in the workplace, highlighting the direct economic benefits that are tied to well-developed employee wellness programs, ultimately providing employers with practical advice and tools to develop their own programs effectively and impactfully.

Through detailed analysis of peer-reviewed academic articles and research studies, the report examines over 100 data sources to extract key insights and showcase global best practices for implementing wellness programs at organizations of all sizes.

Although the findings of the study focus on in-office/workplace settings and were pre-pandemic, the study is still highly relevant for employers today as it provides wellness solutions that can address employees’ health and well-being concerns.



**Jason Sadler**

President, Cigna International Markets



In a recently published report by Cigna, we found that almost half of global respondents said they expected their employees to provide them with mental health support. Clearly, the pandemic has focused many people’s attention on personal health and well-being.

At Cigna, we are committed to working with our customers and partners and supporting them on their wellness journey. We hope this report will be a valuable resource to help companies implement programs that show measurable returns and deliver better outcomes for employers.

# WORKPLACE WELLNESS PROGRAMS YIELD A POSITIVE RETURN ON INVESTMENTS

To be competitive in today's environment, employers need to offer programs and benefits which optimize the health and well-being of their workforce, both as a reputational necessity and as a part of talent management.

According to our analysis, though the return on investment varied depending on the structure and interventions offered by a program, the majority of programs yielded high returns by reducing healthcare costs, absenteeism, and delivering improved productivity gains. Programs that are grounded in a solid understanding of how health and well-being issues manifest in each unique workplace, in particular, generated the most impressive returns.

## UNDERSTANDING ORGANIZATIONAL FACTORS THAT INFLUENCE WELLNESS NEEDS

While it intuitively makes good business sense to engender a healthy and engaged workforce, the translation of this to key economic indicators – such as absenteeism, presenteeism, and healthcare claims costs, is notoriously hard to define.

The report helps companies understand the loss-drivers that influence their workforce's wellness and the trends affecting them. Our research indicates that the most successful programs are those focused on specific loss-drivers. This includes case management programs to drive reductions in absenteeism, disease management programs to reduce healthcare claim costs, and lifestyle programs to tackle overall employee health.

Our analysis suggests four key steps that employers should follow when designing and implementing a successful wellness program:



## UTILIZING DIFFERENT TYPES OF WELLNESS INTERVENTIONS PROGRAMS

Wellness programs that target both individuals and the entire workforce have a role in an employer's health and well-being strategy. Our research suggests that programs delivered at an individual level are most successful when they aim to reduce specific health risks, while programs delivered to the entire workforce are most successful when they promote healthy behaviors in general and develop a culture of wellness in the organization.

We found that mental health interventions yielded high returns, with the most effective programs yielding a sixty-fold return on the initial investment. Mental health interventions also delivered higher returns than fitness interventions or smoking cessation interventions.

## KNOWING WELLNESS PROGRAMS PARTICIPATION AND ENGAGEMENT RATES

The success of workplace wellness programs largely depends on employee participation and continued engagement. However, in most cases, employers achieve a high initial participation rate but lose engagement over time.

The studies we reviewed adopted different strategies to achieve high participation rates, and some were notably more effective than others. We found that making small changes to the physical environment to reinforce wellness messages also helped achieve better engagement levels.

When engagement rates changed from **75%** to **92%**, the return on investment **increased eleven-fold**.

## LEADERSHIP SUPPORT IS CRITICAL TO PROGRAM SUCCESS AND YIELDS HIGHER RETURNS

We found that visible championing of well-being programs by senior and middle management is a significant facilitator in promoting employee participation. Programs with middle management support yielded a very high return on investment, averaging ten times the initial investment. Of particular significance is the role middle managers play in lifestyle management programs related to mental health. In successful programs, managers' attitudes and beliefs - and their ability to communicate freely with their employees - helped to increase program participation and engagement.

Given the importance of middle management in successful wellness programs, to motivate and engage this group of people, employers should look at providing training sessions and involving them in delivering wellness program interventions.



## MEASURING PROGRAM SUCCESS

Our research suggests that monitoring and evaluation of wellness programs are – surprisingly – often overlooked. The data collected from workplace wellness programs are typically broad and fragmented, and there is a lack of standardized measures or readily available frameworks to measure program success.

In our report, we have identified five different categories, and within each of these categories, we have identified a range of robust ways of measuring impact.

These strategic measures emphasize the entire range of program outcomes that add value to an organization. Selecting the most appropriate measure will depend on several factors, including data availability, resources available to measure, and the specific type of program implemented.

FIG. 2

### DIFFERENT PARAMETERS FOR MEASURING PROGRAM SUCCESS



Asia Care Group are a specialist management consulting firm, that advise healthcare organisations on strategy and change. They work across the industry – with Governments Payors, Providers and a range of development organisations

