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Workplace wellness: a casualty of the times?
Benefits

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There has been no shortage of media coverage on the current economic times and the struggle for economic survival faced by many organizations. Even with some signs of recovery starting to show, it's hard not to feel uneasy about how all this will ultimately turn out. There's a new economic landscape forming before us. Where will workplace wellness programs fit in?

Even in the economic boom times of the recent past, many organizations struggled with workplace wellness. What is wellness? How do you make the case to invest in something so nebulous? In the end, those who invested did so simply because it was the right thing to do, not because they could quantify a return for their investment. Surely in today's new reality—where any and all investments are held up to greater scrutiny—workplace wellness programs must be on the chopping block. Short-term economic survival is surely more important than vague long-term returns from workplace wellness.

Makes sense, right? Not so fast. Mercer recently completed a global survey on how plan sponsors were dealing with a number of human resource issues in these unprecedented economic times. 330 Canadian organizations participated in the survey and one of the questions related to how likely the organization was to add a wellness program to increase employee engagement and improve health-related behaviours in the near future. The results are more than a little surprising:

• 23% of survey participants had taken steps within the last six months to add and/or incorporate wellness related initiatives within their organizations.

• 38% of survey participants were either very or somewhat likely to add a wellness program (or related initiative) within their organization by the end of 2009.

Over 60% of survey participants have invested in wellness or are looking to invest in wellness despite these challenging economic times. What gives? What explains this somewhat counter-intuitive result?

There are a number of potential explanations, including:

• The survey participants misread the question.

It's easy to dismiss the result if people did not understand the question—after all, what is "wellness"? You can never be certain about how people define workplace wellness but the survey was completed by mainly senior level individuals—CEOs, CFOs and vice-presidents of human resources. These are smart people so the degree of ambiguity in the question is not likely to be significant—they could figure it out.

• Wishful thinking by individuals who have bought into wellness?

Once again, as noted above, the survey was completed by senior individuals—individuals not prone to "wishful thinking."

• The survey results could be skewed by certain industry segments.

It is true that wellness has gained traction in some industries more than others. And the need to cut and control costs is more urgent for some industry segments. The survey respondents came from 17 broad industry groupings representing a true cross-section of the Canadian marketplace with input from both the public and private sector. In fact over 30% of survey respondents came from industries hardest hit by the economic downtown such as manufacturing, retail, transportation and construction and these plan sponsors were among the most positive about workplace wellness.

So if we assume the survey respondents understood the question and there was no industry bias in the survey results, why such a positive endorsement for workplace wellness? The reason is simple: workplace wellness makes sense, regardless of the economic times.

Despite the difficulty in trying to define it, making a business case for the investment and the long-term versus short-term focus, workplace wellness makes sense because:

• It can be a differentiator. Most individuals want to work for an organization that cares about their health and wellbeing.

• It doesn't have to cost a lot. There are a lot of resources available in the market—some of which are free—that can be put together to create a comprehensive workplace wellness program. And in some organizations, it is little more than pulling together existing programs under a wellness banner, essentially a branding exercise.

• The need has never been greater. As a population, Canadians are getting older and are generally in poorer health. And from a mental health perspective, our new economic realities have imposed higher levels of stress and fatigue on everyone. A well designed workplace wellness program can help to address these issues.

• It can help from a workforce planning perspective. When we emerge from this economic funk, Canada will still be facing a labour shortage. It will be important to keep employees healthy, at work, and productive because the replacement labour pool will be limited.

• It is a feel-good issue. In these times where much of the news has been negative, investing in employee health is a positive message. Everyone likes to feel good.

• And yes, it can save money. A well targeted corporate wellness program can save money on health care and disability plan costs, casual absences and, it can improve overall employee engagement and productivity. The payoff may be in the longer term, but there is nevertheless a positive return.

These economic times have forced many organizations to make difficult decisions about the size of their workforce, how much to pay their employees and how to manage human resource related costs such as employee benefits. These are difficult decisions requiring a strategic view of the future. And it would seem that more and more Canadian decision makers view workplace wellness as a strategic imperative rather than a luxury or nice to have.

Workplace wellness: a casualty of the times? Hardly—it's time for these initiatives to shine!

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