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Challenge 2013: Linking Employee Wellness, Morale And The Bottom-Line

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As the work-life balance debate roars on with employees wondering whether to lean-in or lean-out these days, perception is everything (most recently at Arianna Huffington's <u>#ThirdMetric</u> conference where redefining success beyond money and power was the focus). And the perception of being cared for in a workplace culture that encourages wellness, just might boast a more committed and happy workforce in the new world of work which is arguably hi-tech, global and 24/7.



Health (Photo credit: Tax Credits)

A new survey by <u>Virgin HealthMiles</u> Inc. and <u>Workforce Management</u> <u>Magazine</u>, suggests as much. 77% of employees responded that "health and wellness programs positively impact the culture at work."

HealthMiles, a workplace health engagement company and part of Sir Richard Branson's <u>Virgin Group</u>, surveyed about 1,300 businesses and 10,000 employees for its annual survey kicking off <u>National Employee Wellness</u> <u>Month</u> in June. The study found a strong link between the wellness and vitality of an organization, and the wellness of employees. The result of which was increased job morale, satisfaction, commitment and performance.

"Creating a culture-first mentality is a critical step for employers when it comes to building a highly engaged workforce," said Chris Boyce, CEO of Virgin HealthMiles.

But measuring a culture of wellness in terms of spreadsheets still evades the bean counters to a degree. And while quantifying the bottom-line impact of such programs is challenging, Boyce says the trends in the survey are key to the bigger picture.

"Employees become much more motivated and productive when they know that their employer cares about their total quality of life, which goes beyond traditional wellness and includes physical, emotional, financial and social health."

Those are metrics that David Ballard PsyD, MBA is very familiar with. He is the director of the <u>Center for Organizational Excellence</u>, of the American Psychological Association.

"The impact of well-being on the bottom line can be difficult to tease out, since human behavior is complex and determined by multiple factors," says Ballard adding, "Even *hard data* like health care claims can be affected by plan design and other changes."

Consequently, the HeathMiles survey found that only 31% of organizations were "satisfied with their health and wellness metrics." But Ballard says, quantifying such efforts also requires a change in perspective. There are employers he says, who understand that well-being and performance are inextricably linked, although a though *return-on-investment* might not be directly revealed on the spreadsheets.

Every year the APA's <u>Psychologically Healthy Workplace Award</u> highlights organizations that are putting more emphasis on the bigger picture of employee well-being. According to statistics from the APA, companies that meet the criterion of a "psychologically healthy workplace" benefit from

improved work quality and productivity, lower absenteeism, presenteeism, less turnover, and better customer service ratings. In fact, the four employers who received the award this year, had an average turnover rate of 6% in 2012, compared to the national average of 38% as estimated by the U.S. Department of Labor.

"Forward-thinking organizations are re-evaluating work practices and providing employees with resources that support well-being and performance. They are creating psychologically healthy workplaces that are diverse and productive, resilient and successful," says Ballard.

Alas, communicating those workplace initiatives to employees has been challenging. The Virgin HealthMiles/Workforce survey found that only 51% of employees surveyed said they have a good understanding of how to participate in health and wellness programs being offered by their employers.

The wellness argument can sometimes be a hard sell and tricky fodder for those in HR who have to communicate the benefits of such programs, but it doesn't mean they aren't valuable, says Fran Melmed, Founder of <u>Context Communication Consulting</u>, a communication and change management firm specializing in workplace wellness.

"I've seen health and wellness programs keep morale up and people on track during seismic change like downsizing, off—shoring, downturns in economy and business slowdowns—and those things can't be discounted."

Melmed writes more about this at her blog, <u>Free Range Communications</u>. Moreover, the benefits of such wellness programs are not lost on those who have been exposed to such initiatives and value them. The Virgin HealthMiles/Workforce survey found that about 87% of employees said they consider health and wellness offerings when choosing an employer. Perhaps that's a harbinger of things to come in a competitive global marketplace where attracting and retaining skilled talent is crucial for the bottom-line.

Should employee wellness hold more weight in the metric formula that defines a companies bottom-line? Please share your thoughts.

Connect with Judy on Twitter: <u>@JudyMartin8</u> and visit her at <u>WorkLifeNation.com</u> where she tracks workplace concerns, work stress management initiatives, workplace well-being trends and writes about transforming stress in an "always-on" world. Check out her guided meditation

CD: <u>Practical Chaos: Reflections on Resilience.</u>

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