



# Healthy Organizations Creating Well Workforces

## Why well-being programs can't exist in a vacuum

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The link between workforce health and a healthy organizational bottom line has been repeatedly made through research. According to one study, companies with high employee engagement had a 19 percent increase in operating income and nearly a 28 percent growth in earnings per share.

While companies with low levels of engagement saw operating income drop more than 32 percent and earnings per share decline over 11 percent (TowersPerrin, 2008). Results from an in-depth 2013 study of several organizations demonstrated that engaging in a comprehensive effort to promote wellness, reduce the health risks of a workforce and mitigate the complications of chronic illness within populations can produce remarkable impacts on health care costs, productivity and performance (Raymond Fabius, 2013).

Couple these findings with rising healthcare costs due to increased expenses attributable to specialty drug spend or medical inflation and ACA compliance efforts, it's no surprise that companies are taking a close look at workforce health improvement as a business imperative.

What is often overlooked in these efforts is just how critical it is to go beyond risk factors to the overall levels of engagement throughout all areas of the population. Gallup estimates active disengagement costs the U.S. \$450 billion to \$550 billion per year. Engaged workers have significantly higher productivity, profitability, customer ratings, less turnover and absenteeism

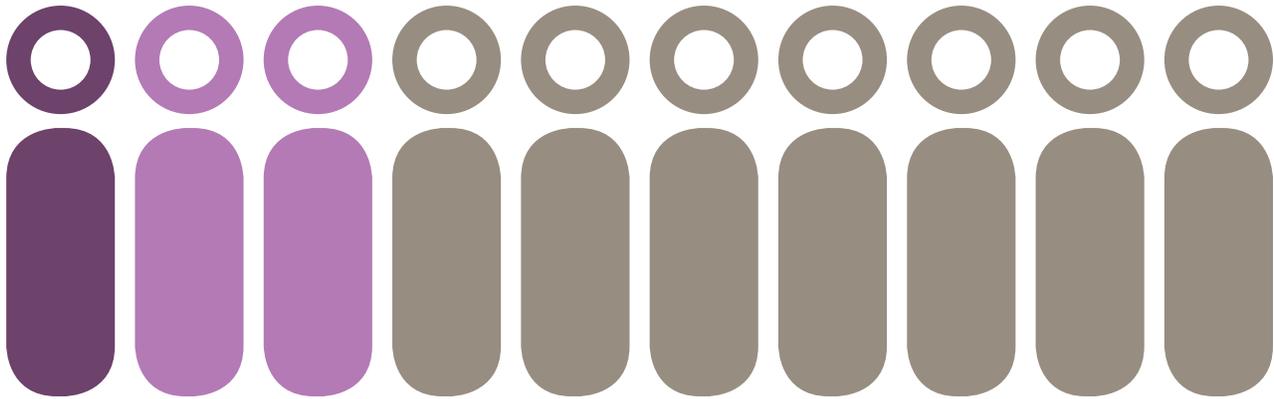
and fewer safety incidents. The fact that only 30 percent of the American workforce is engaged with only 22 percent engaged and thriving, (Gallup, 2013) means organizations have the opportunity to improve business performance through employee engagement with nearly 80 percent of their workforce. Beyond individual risk factors, how does the health of the overall organization impact the wellbeing of the workforce?

According to a 2014 Gallup study, a vast majority of employees see their job as a detriment to their overall well-being. What's causing this may be the failure of employers to view their health improvement efforts outside of the vacuum. Wellness programs alone cannot right the ship as they are not operating without the influence of contributing factors from other areas within the organization.

One of these contributing factors may be the physical environment of the job itself. Often companies will implement wellness initiatives such as a wearable challenge, walking program or take the stairs campaign without noticing the stairwell doors are locked, the stairwells are filthy, there are no paths outside of the building which are safe areas to walk



**ONLY 1 IN 10** HAVE THE HIGH TALENT TO EFFECTIVELY MANAGE OTHERS.  
**ANOTHER 2 IN 10** HAVE FUNCTIONING MANAGERIAL TALENT.



*Adapted from Gallup State of American Manager Report*

and no inside availability when weather is inclement. When initiative statistics come in and participation is low, we hear, “wellness isn’t working”. Perhaps by making simple changes such as implementing a central printing station or trash/ recycle area which encourages employees to leave their desk several times a day may be one of many ways to ensure the built environment supports versus obstructs employees’ paths to health improvement.

Have you ever looked closely at a drinking fountain prior to getting a drink or filling your water bottle only to find mold forming around the spout? Are the water sources in your organization clean, abundant and readily available to all employees? Our bodies consist of about 60 percent water and reductions in this amount can lead to altered body temperature control, reduced motivation and increased fatigue. Reductions in water also make exercise feel much more difficult, both physically and mentally (US Library of Health, NIH, 2010). Promoting increased water consumption is a positive step, but making sure clean water sources are available is even more important to supporting employees to make the healthy choice.

RAND Corporation estimates that by 2020, one-fifth of all health care expenditures will be devoted to treating consequences of obesity (Raymond Fabius, 2013) and yet few vending machines and employee cafeterias offer truly healthy options at an affordable price. Do employees attend meetings only to find pizza is being served for lunch? Implementing policies regarding food served at meetings is an easy step

taken to support health. Weight management programs are useful for a portion of the population, but supporting healthy choices throughout the workday through the work environment will make them even more beneficial and successful.

Most organizations have applied considerable attention to offer appropriate benefits for members suffering from serious illnesses. Medical and pharmacy expenses covered for cancers to offer speedy recoveries and successful return to the workplace are one example. Once back on the job though, employees rarely find suitable areas for rest throughout the workday. Privacy rooms can offer respite for employees battling illnesses (Elejalde-Ruiz, March).

Likely the area of greatest impact to employee engagement is that of their manager or supervisor. So important to workforce well-being in fact, Gallup has conducted considerable research in this area. Their study of 7,272 U.S. adults revealed that one in two had left their job to get away from their manager and improve their overall life at some point in their career. Having a bad manager has a two-fold effect. Employees not only feel miserable while at work, but they take that misery home, increasing their stress and putting their well-being at risk as well as influencing the well-being of their families. (Gallup, 2015)

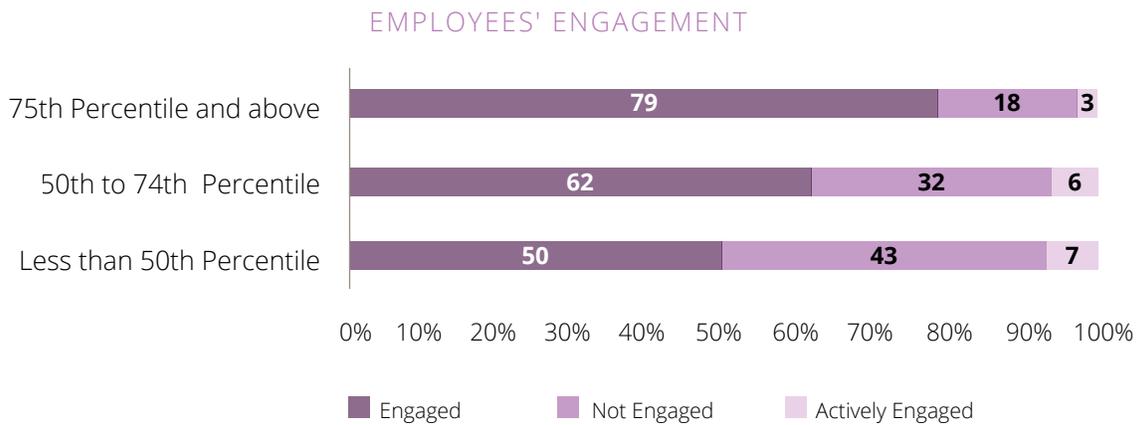
While the study shows that few managers in their roles actually have the skills and talent to manage effectively, organizations are still promoting them to manage without proper vetting prior, or training once in the role.

Poor managers can negatively impact a team's relationships in the workplace, an individual's perception of their role in the organization and their career path for the future, leading to disengagement. This has a negative impact on the overall work culture which in turn minimizes both individual and organizational performance. The study also determined that a great amount of managers are not engaged. Engagement and enthusiasm for an organization starts at the top and works its way down through the ranks. Managers who work for engaged leaders are 39 percent more likely to be engaged and employees working for those managers are 59 percent more likely to be engaged.

It's easy to see then why wellness initiatives being offered in an environment with disengaged managers and employees may not yield the return desired. If the managers aren't on board and engaged with the concept, their employees won't be either. Considerable resources are being spent each year on health management initiatives in organizations of every size and in every industry, yet there is great debate surrounding their impact. Increased efficacy of these efforts may in fact be found in the health of the organization as a whole. Spend a little time reviewing how "healthy" your company is and if a solid foundation exists to support your health management efforts. Bring those efforts out of the vacuum to improve their chances for successful outcomes.

## Employee engagement increases as their manager's engagement increases

MANAGERS' ENGAGEMENT



*Adapted from Gallup State of American Manager Report*

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